## EXHIBIT R

	1 g 2 01 150		
1	UNITED STATES DISTRICT COURT		
2	SOUTHERN DISTRICT OF NEW YORK		
3	X		
4	SAGI GENGER, : 17-CV-8181 (VSB) (DCF)		
5	Plaintiff,		
6	v. : 500 Pearl Street		
7	ORLY GENGER, : New York, New York		
8	Defendant. : January 8, 2019		
9			
10	TRANSCRIPT OF CIVIL CAUSE FOR HEARING BEFORE THE HONORABLE DEBRA C. FREEMAN UNITED STATES MAGISTRATE JUDGE		
11			
12	APPEARANCES:		
13	For the Plaintiff: JOHN DELLAPORTAS, ESQ.		
14	Kelley Drye & Warren, LLP 101 Park Avenue		
15	New York, New York 10178		
16	For the Defendant: MICHAEL BOWEN, ESQ.		
17	ERIC HERSCHMANN, ESQ. ANDREW KURLAND, ESQ.		
18	Kasowitz, Benson, Torres LLP 1633 Broadway		
19	New York, New York 10019		
20			
21	Court Transcriber: SHARI RIEMER, CET-805 TypeWrite Word Processing Service		
22	211 N. Milton Road Saratoga Springs, New York 12866		
23	APPEARANCES CONTINUED ON NEXT PAGE.		
24 25	APPEARANCES CONTINUED ON NEAT PAGE.		
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	Proceedings recorded by electronic sound recording, transcript produced by transcription service		

## 20-01010-jlg Doc 38-19 Filed 03/15/21 Entered 03/15/21 13:53:33 Exhibit R Pg 3 of 150

1		UNITED STATES DISTRICT COURT	
2	5	OUTHERN DISTRICT OF NEW YORK	
3	APPEARANCES CONTINUE	D:	
4	For Himself and	IANCE HARRIG EGO	
5	Steven Spolansky:	LANCE HARRIS, ESQ. Stein & Harris 1211 Avenue of The Americas	
6		Floor 40 New York, New York 10036	
7	For Raines & Fischer	·	
8	roi kaines & rischer	: DANIEL LUST, ESQ. Goldberg Segalla 101 Park Avenue	
9		New York, New York 10178	
10	For David Broser:	MITCHELL GOLDBERG, ESQ.	
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3
1
              THE CLERK: Genger and Genger.
              Please state your name for the record.
 2
              MR. DELLAPORTAS: Good morning, Your Honor.
 3
   Dellaportas for the judgment creditor Sagi Genger.
4
 5
              THE COURT: Okay.
              MR. BOWEN: Good morning, Judge. For the judgment
 6
7
    debtor Orly Genger, it's Michael Bowen, B-O-W-E-N, with the
    Law Firm of Kasowitz, Benson, Torres. And with me are my
 8
 9
    partner Eric Herschmann.
10
              THE COURT: Who is whom?
                                       Okay.
              MR. BOWEN: Immediately to my left; and my partner
11
    Andrew Kurland.
12
13
              THE COURT: All right. Who do I have --
              MR. BOWEN:
                          There are a number of other parties
14
15
    present, Judge, who are subject to the subpoenas.
16
              THE COURT:
                          Yeah. I'd like to have everybody's
17
    appearances.
18
              MR. BOWEN:
                          Okay. So --
19
              THE COURT:
                          Just go around introduce yourselves.
20
    Tell me who you're for.
              MR. HARRIS: Lance Harris for, I guess pro se,
21
    myself, regarding my IOLTA account that was subpoenaed.
22
23
              THE COURT: Did you sign an appearance sheet here?
24
              MR. HARRIS: I put in --
25
              MR. BOWEN:
                          Yes.
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4
1
              THE COURT: Oh, yes, I see it. Okay. I have your
 2
   card.
             MR. HARRIS: I also have my client, Steven Spolansky
 3
4
    [Ph.], in the gallery whose information was subpoenaed along
5
   with my IOLTA information.
              THE COURT:
                         Okay.
 6
 7
             MR. HARRIS: Thank you.
              MR. GOLDBERG: Good morning, Your Honor. Mitchell
 8
9
   Goldberg from the [indiscernible] Law Group on behalf of David
10
   Broser.
            And with me today is Mr. Broser as well.
11
              THE COURT: All right.
12
             MR. GOLDBERG: Thank you.
13
             MR. LUST: Good morning, Your Honor. Daniel Lust
    from the Law Firm of Goldberg Segalla. We're representing
14
15
   Raines & Fischer who's been subpoenaed in this action.
16
             THE COURT: Wait, I'm sorry. Tell me your name
17
   again?
18
             MR. LUST: Daniel Lust, L-U-S-T. Ron Herzog from my
   office --
19
20
              THE COURT: Are you here on this sheet someplace?
                         I am. I have my card attached.
21
             MR. LUST:
22
              THE COURT: Oh, I see. It's at the bottom. Okay.
23
    I'm sorry. And you have someone with you?
24
             MR. LUST: No one with me, just on the e-filing
25
   system, Ron Herzog was -- submitted a notice of appearance on
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5 1 behalf of our firm. Okay. And in the back, are you here as 2 THE COURT: well for somebody? 3 4 MR. SPOLANSKY: Yes, actually Mr. Harris --5 THE COURT: No, all the way in the back, are you on this case? 6 7 BOYLE: I'm just observing, Your Honor. MR. with John Boyle with Skadden Arps. We represent the nonparty 8 that was subpoenaed and already provided discovery in this 9 10 case, and we're just interested in how this could turn out. 11 THE COURT: All right. So, listen, you obviously 12 don't see a court reporter here. We have electronic recording in the courtroom. I've got a whole courtroom full of male 13 If you speak on this record and you want a transcript 14 voices. 15 and somebody is trying to type it, they're not -- that person 16 isn't going to have the benefit of seeing you and putting name 17 to face. So if you speak, please each time you speak, please just say who you are so that if you get a record later, it'll 18 19 come out with the right person's name associated with the 20 right person's words. If you're not familiar with the electronic recording 21 22 and how to go about getting a transcript, you can go to the 23 Court's website, and at the top, there's a menu bar. You go all the way over to the right, click on "Trial Support." Go 24 25 from there to "Courtroom Technology," and "Courtroom

Technology" will take you to something called "Electronic Court Recordings" or ECR and will tell you how to go about ordering a transcript if you want one.

I may make rulings on the record, and I may not follow them up with a written order. So let's try to make sure this transcript is clear. If at any point you think that I'm making a ruling and it lacks clarity, please ask me to clarify, so hopefully we can end up with a clear transcript. I might issue a written order afterwards, but if it all seems clear enough, I may not bother doing so.

As you know, I have a stack of stuff. I'm not hugely pleased about the stack of stuff, and I must say this is my at least second go-around, possibly third go-around with the parties to this case. And, you know, family feuds always seem to be the worst. And as family feuds go, this one seems to be among the worst of the worst.

The level of argumentative submissions, just put it that way, obviously, lawyers are often argumentative. But the level of hostilities in the cases that involves these parties seem to be quite high, and I would like to try to dial it back. Here's the thing, there is a judgment. The judgment creditor is entitled to discovery to try to find the assets to enforce the judgment. If there are none to be found, there are none to be found but judgment creditor is entitled to try. There are rules that allow that.

And so I have to allow some leeway for that party to try to locate assets and to follow whatever money there might be to track it through time and try to figure it out because there's a fairly significant judgment out there. And even if were not so significant, nonetheless, a judgment creditor has certain rights. That said, the discovery sought should bear some relation to what we're looking for here, which are assets to satisfy a judgment. So there may be temporal issues, there may be scope issues, and I'll look at those things.

What I want to try to do is work through what I've got in some sort of logical order with due respect for nonparties that are here. If we can deal with some of the nonparty issues first and let people go, if you're going to want to stick around anyway to see how everything comes out, then there's no particular need for me to do it in an order that lets people get out of here sooner. So I'll let you guide me on that if you think there's something that's easy we can do and get somebody out.

MR. BOWEN: Judge, there is a person here, Mr. Spolansky, Steven Spolansky, who has nothing to do with this case, and he does have to leave right away. And this has to do with the IOLTA account of Mr. Harris who's an attorney, and the other side subpoenaed the IOLTA account without any notice to anybody. And Mr. Spolansky's personal private information was subpoenaed by the other side. So that's the only reason

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8
   why they're here, and I would ask the Court to address that
1
    issue first.
2
              THE COURT: I don't mind dealing with that first.
3
   This issue about notice, bear in mind we're not under Rule 45
4
5
   discovery while in litigation mode. We're in post-litigation,
   a post-judgment discovery where there are mechanisms
6
7
   available, as I said, to try to locate assets to enforce a
    judgment. So just be careful about what rules you cite and
8
    some of the usual thinking about how discovery is supposed to
9
10
   progress with notice to the parties on everything may not
11
    apply in this context.
12
              But anyway, everybody knows about -- at least
13
   everyone who's here now, everyone knows about what subpoenas
   were served. Let's see if we can deal with that one first.
14
15
              MR. DELLAPORTAS: I'm happy to address it, Your
           We did find that --
16
   Honor.
17
              THE COURT: Can I please remind you just --
18
              MR. DELLAPORTAS: Oh, sorry.
19
              THE COURT: -- introduce yourselves before you
20
           And I don't know if --
    speak.
21
              MR. BOWEN: It was Bowen who spoke a moment ago.
              THE COURT:
22
                          Okay.
23
              MR. DELLAPORTAS: This is John Dellaportas;
24
    apologies, Your Honor.
25
              THE COURT: Okay.
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9 MR. DELLAPORTAS: With respect to the Bank of America account where we traced \$850,000 of the funds, to the extent there's a copy of one or more checks made out to Mr. Spolansky, I don't remember. We're happy to return or disregard those checks or any other checks having nothing to do with the Genger matter, although predominantly what we've found were Genger-related checks, so. THE COURT: Well, hold on a second. First of all, we have some standing issues here. So it's not necessarily clear to me that Orly Genger would have standing to object to every subpoena that's been served. If it has to do with her own personal information, like if it's her account and it's her tax return, something like that, should would have standing. But I think in this -- on this particular one, if Mr. Spolansky has an issue, I'd like to hear from his counsel on that. I'm not so sure she would have standing. MR. HARRIS: Lance Harris, my IOLTA account. \$875,000 that went into my account which is unquestioned. Every other transaction in that account is not -- should not be subject to this discovery. Mr. Spolansky, Mr. Spolansky's brother, Mr. Spolansky's business, many other checks were written out to my IOLTA account, as one would imagine with an active transactional attorney, which I am. And so I would ask that all of that information be

returned to me and destroyed, and the representation be made

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10
    that notice be --
1
              THE COURT: Returned to you and copies destroyed?
 2
 3
              MR. HARRIS: Yes. Yes; thank you, Your Honor.
 4
              THE COURT:
                          Okay.
 5
              MR. HARRIS: And I did not -- as a third party, I
    did not receive any notice. I would have sought a protective
 6
 7
    order.
            I had no notice that this information was being
    transmitted, and I had to inform my clients, all of which were
 8
 9
    compromised.
10
              THE COURT:
                         Wait, who was subpoenaed; your bank?
11
              MR. HARRIS: My bank, Bank of America was
12
    subpoenaed, my IOLTA account for which obviously business gets
13
    conducted through my law firm from July --
              THE COURT: And the bank didn't notify you?
14
15
              MR. HARRIS: The bank to this date has not notified
16
    me as to that subpoena. And Mr. Dellaportas and I have known
17
    each other for many years. No courtesy was provided.
                                                           And not
18
    only on the date that the money came into my account, which
19
    was July of 2013, he subpoenaed not only July but all of the
20
    remainder of that year. And I would have readily provided to
    him --
21
22
              THE COURT:
                          All right. What is this 875,000; what
23
    does that represent?
24
              MR. HARRIS: I'm talking, John.
25
              That $875,000 represents from the settlement
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11 1 agreement money that came in through a series of other accounts. 2 THE COURT: And this was what year; what date? 3 4 MR. HARRIS: July of 2013. 5 THE COURT: 2013? MR. HARRIS: Of 2013, Your Honor. 6 7 THE COURT: Okay. So I do understand that this 2013 settlement is of great interest, and trying to figure out what 8 happened to the money from that settlement is something that 9 10 the judgment creditor is very focused on. So let me turn to Mr. Dellaportas, why would you be looking for information 11 12 other than with respect to this \$875,000? 13 MR. DELLAPORTAS: We're not, Your Honor. So we just wanted to figure out when the 875 came in and how it was 14 15 disbursed because they've made the claim that Orly received no 16 benefit from this settlement. 17 THE COURT: Okay. 18 MR. DELLAPORTAS: So we --THE COURT: So how do you go about figuring out how 19 20 it was disbursed without intruding on completely irrelevant aspects of this IOLTA account and potentially other clients? 21 MR. DELLAPORTAS: Well, to the extent that they're 22 23 irrelevant, we have no objection to returning it. But largely 24 what we found were upon this \$875,000 coming in, a series of 25 checks made out to Orly's lawyers and other creditors for

12 1 about 550,000. THE COURT: What do you mean other creditors? 2 MR. DELLAPORTAS: I'm sorry. The court reporter she 3 4 paid, things of that nature, litigation expenses. Basically 5 at least half a million dollars of the settlement funds was used to pay Orly Genger's litigation expenses, whether 6 7 attorneys or other kinds of vendors. So that's very relevant to us. It speaks to an entitlement. 8 Is there anything with respect to Mr. --9 THE COURT: 10 let me get your name right here -- Spolansky, is there 11 anything about him or his business or work whatsoever that's 12 relevant here? 13 MR. DELLAPORTAS: No. No, Your Honor; not that I'm 14 away of. 15 THE COURT: So can we identify -- can you work 16 together to identify everything that relates to Mr. Spolansky 17 and make sure all of that is returned and if there are copies, 18 they're destroyed? 19 MR. DELLAPORTAS: Absolutely, Your Honor. 20 MR. HARRIS: Yes, Your Honor. There's also other 21 clients. And if I just may for a moment, the day that the 22 wire came into my account, which Mr. Dellaportas is spaciously 23 ignoring, is two checks written to Orly Genger's attorneys 24 that equal \$870,000. Money came in and --25 THE COURT: Eight seventy-five, eight seventy?

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13
 1
              MR. HARRIS: Eight seventy. I was holding 5,000 for
    other expenses of Mr. Genger's that were later in that month.
 2
 3
    But immediately, the two attorneys most responsible for that
 4
    settlement agreement, namely Paul Weiss and Mitchell
 5
    Silberberg, those checks on the same day as the money came in
    were written for the specific purpose at the specific
 6
 7
    direction of Mr. Genger for Mr. Genger's account.
              Mr. Dellaportas is going months later and other
 8
    deposits later to deal with other issues and to forget the two
 9
10
    checks that are right in front of him.
                          Okay. Well, I'm already confused.
11
              THE COURT:
12
              MR. HARRIS: I'm sorry.
              THE COURT: No, no, because Mr. Dellaportas is, I
13
    thought, saying there are any number of checks, and you seem
14
15
    to be saying there would be two going out.
16
              MR. HARRIS: Two.
17
              THE COURT: Wire transfer in and two going out?
18
              MR. HARRIS: Yes, ma'am.
19
              THE COURT:
                          So, Mr. Dellaportas, these other ones
20
    that are going out besides two are traceable, you think, to
21
    the same $870,000?
22
              MR. DELLAPORTAS: Your Honor, he provided no payment
23
    instructions or other basis. First, they don't add up.
24
              THE COURT: Wait, wait. Wait, wait. Wait.
25
              MR. DELLAPORTAS:
                                Yeah.
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14
 1
              THE COURT: Everything is very --
              MR. DELLAPORTAS:
                                Yes.
 2
              THE COURT: -- broad brush here.
 3
 4
              MR. DELLAPORTAS: Uh-huh.
 5
              THE COURT: Okay. I'm lacking specifics as to what
    you're talking about.
 6
 7
              MR. DELLAPORTAS: Sure.
              THE COURT: Lots of stuff that you found, what are
 8
    you talking about?
 9
10
              MR. DELLAPORTAS: Okay. So, Your Honor, and this is
11
    John Dellaportas. What we've experienced, and this speaks not
    only to Mr. Harris' submissions but to all of them, is that
12
13
    the only facts we're able to find are through the bank
    records. Everything that's been told to us either in
14
15
    arguments, letters, depositions has been inconsistent.
16
              THE COURT: Give me specifics.
17
              MR. DELLAPORTAS: Okay. So what we found is that
18
    the 32 million was settled in July. Orly settled the $32
19
    million --
20
              THE COURT: Give me specifics about the --
              MR. DELLAPORTAS:
21
                                Sure.
              THE COURT: -- $870,000 and what you discovered in
22
23
    the account --
24
              MR. DELLAPORTAS:
                                Okay.
              THE COURT: -- as to where it went.
25
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15
1
              MR. DELLAPORTAS: Okay. So of that 32 million,
    875,000 made its way into Mr. Harris' account. The next day
 2
    $100,000 was wired out to the Law Firm of Zeichner Ellman.
 3
 4
    Zeichner Ellman represents only Orly Genger and nobody else.
 5
    In the --
              THE COURT: Okay. So that's 100,000 --
 6
 7
              MR. DELLAPORTAS: Yes.
              THE COURT: -- out next day.
 8
              MR. DELLAPORTAS: And then --
 9
10
              UNIDENTIFIED SPEAKER: Can you answer about the two
    checks?
11
12
              THE COURT: Excuse me.
13
              UNIDENTIFIED SPEAKER: Oh, sorry.
              THE COURT: I'm only going to be able to hear --
14
15
              UNIDENTIFIED SPEAKER: Sorry.
16
              THE COURT: -- one at a time.
17
              UNIDENTIFIED SPEAKER: Sorry, Your Honor.
18
              THE COURT: I'll hear from everybody. I have the
19
    entire morning carved out for this, much to my dismay.
20
              MR. DELLAPORTAS: Then we basically, I have here,
    and this is submitted to Your Honor in the docket at Document
21
22
    151-4. We show approximately 20 more expenditures made out
    for Orly's benefit. One is July 3rd, one is July 2nd, another
23
24
    is July 7th, another is July 23rd.
25
              THE COURT: I'm sorry. I have Docket 151, which has
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16
1
              MR. DELLAPORTAS:
                                Yeah.
2
              THE COURT: -- Exhibits A, B, C, D. We're talking
3
4
   about D?
5
              MR. DELLAPORTAS: I think it's D because the
   document --
6
7
              THE COURT: And it's copies of checks?
              MR. DELLAPORTAS: Yes.
                                      So these are the checks we
8
    found which are payments of debts owed by Orly Genger out of
9
10
    the 850,000. Now Mr. Harris says, well, the 850,000 was for
    something else, not for this. Well, the money came in and it
11
12
   went out for this. Now if Mr. Harris has evidence that some
    other money was used to pay this, coincidentally, the day the
13
   money -- the 850,000 came in, he can produce that and he can
14
15
    say, hey, Orly Genger's half million dollars of debts, they
16
    weren't paid from the 850,000 settlement proceeds. They were
17
   paid from some other 500,000.
18
              We'd love to know that because that would show if
19
    someone's paying their debts, she has an asset source that's
20
   potentially, you know, can be drawn upon to collect the
    judgment. But he hasn't shown that. It's just his say-so
21
22
    that 850,000 comes in; 500,000 goes out to pay Orly's debtors
23
    -- creditors, I apologize. And they have no connection to one
    another.
24
25
              By timing, they would appear to have a connection to
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17
1
   one another if he has payment -- contemporaneous payment
    instructions, records, and he can show where this 500,000
2
   came, that would be great. We'll accept it. But I think for
3
4
   now, it's a bit of a red herring in that he's talking about
5
   other clients. We're not seeking any records for other
             These are the only checks that are of concern to us.
    clients.
6
7
    To the extent there were a handful of other checks paid out
    that year, there weren't a lot, but there were a handful --
8
                          Right. Mr. Harris?
9
              THE COURT:
             MR. DELLAPORTAS: We're happy to return them.
10
              THE COURT: Mr. Harris, you've seen Docket 151 and
11
12
    copies of these checks that are attached?
13
             MR. HARRIS: Yes, ma'am.
                          Okay. So these checks don't have to do
14
              THE COURT:
15
    with payment of Orly Genger's debts?
16
              MR. HARRIS: No, Your Honor. I want to be very
17
           On the same day that the money came in, Mr.
18
   Dellaportas is ignoring the two checks written from those
   proceeds to pay Orly Genger's debts. It is as simple as that.
19
20
    Throughout the course of my representation and throughout the
    course of my service --
21
              THE COURT: Those two checks are not in this
22
23
    collection of checks.
24
              MR. HARRIS: He decided to ignore those.
25
              MR. DELLAPORTAS: It's Arie Genger, not Orly.
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18
1
             MR. HARRIS: Arie Genger?
             MR. DELLAPORTAS:
                                Right.
2
              MR. HARRIS: I'm sorry, Arie Genger.
3
                                Make sure that it's clear.
4
              MR. DELLAPORTAS:
5
              MR. HARRIS: Oh, I said Ms. -- I'm sorry. Yes,
    don't yell at me. Arie Genger. Arie Genger's $875,000 came
6
7
    in, and Arie Genger's debts were paid using that money on the
    same day. It is crystal clear from anyone who looks at it.
8
   Mr. Dellaportas has removed those two checks because it does
9
10
   not fit with his narrative and has included other checks that
   had nothing to do with the 875.
11
12
              THE COURT: All right. Do these checks have
    anything to do with Orly Genger?
13
14
             MR. HARRIS: Yes, ma'am. And money has come in
15
    separate and distinct from the 875 --
16
              THE COURT: Okay. So --
17
             MR. HARRIS: -- to pay those debts.
18
              THE COURT: So regardless of whether these other
    checks are traceable to the 870 or 875,000 figure, why would
19
20
    they not still be relevant in trying to understand what assets
    Orly Genger has and what money -- yes?
21
22
              MR. HARRIS: I understand the question. Money has
23
    come in to pay those checks, and they are absolutely relevant.
24
    They are not relevant to the 875 that was deposited into my
25
    account. That is my only point, Your Honor.
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1 THE COURT: Okay. So maybe it is less important for me to understand whether they are specifically linked to the 2 875 or 870 or whatever that number is. We're going to call it 3 4 872-5. But maybe it's not as important for me to figure out 5 if those checks are actually traceable to that infusion of Maybe the only question is do they have some relevance money. 6 7 to the assets of the -- assets or liabilities of the judgment If so, let Mr. Dellaportas file them wherever they go 8 and if not, then the material gets returned to you or 9 10 destroyed. 11 MR. HARRIS: Okay. 12 THE COURT: So how do we parse -- hold on, please. How do we parse what there is that Mr. Dellaportas is still 13 holding that would really clearly have no relevance to what he 14 15 is looking for? 16 MR. DELLAPORTAS: Your Honor, this is Dellaportas. 17 Other than the checks which I attached, I'm happy to return or 18 destroy any other checks that were obtained pursuant to the 19 subpoena. 20 Okay. And, Mr. Harris, with respect to THE COURT: the ones that were attached, do you believe that any of those 21 should be -- that information should be returned or destroyed? 22 23 These are checks made out to ZEK, Ellen Graver or Graner. UNIDENTIFIED SPEAKER: Grauer [Ph.] 24 25 THE COURT: Grauer, some other, Meyers, a law firm

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20
1
    it looks like.
              MR. HARRIS: Again, this was 2013, Your Honor.
2
3
   don't recall what the payment to the Meyers Law Firm was.
4
   know ZEK was Orly's Counsel, and I had received separate and
5
   distinct other funds to make those payments. So I have no
    objection if Mr. Dellaportas holds that check. Besides those
6
7
    checks, he should also hold the two checks that equal the 870
8
    that came into my account.
              THE COURT: All right. Well, why don't we have the
9
10
    two of you, meaning Mr. Dellaportas and Mr. Harris, commit to
11
   going through the checks that are attached as Exhibit D to
12
   Document 151, clarify whether there are any that you think are
   not relevant and should not be in Mr. Dellaportas' hands. If
13
14
   you concede that they have relevance to Orly Genger and her
15
    assets and liabilities, then we'll let it go and the rest will
16
   be returned or destroyed.
17
              MR. HARRIS: Thank you, Your Honor.
18
              THE COURT: All right.
19
              MR. DELLAPORTAS:
                                Thank you, Your Honor.
20
              THE COURT:
                          Is that acceptable?
21
              MR. DELLAPORTAS:
                                That is, Your Honor.
22
              THE COURT: All right. Now I have Orly Genger's
23
    counsel.
              I have Mr. Bowen --
24
              MR. BOWEN:
                          Yes.
25
              THE COURT: -- wanting to speak on this.
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MR. BOWEN: Well, since we're addressing checks that were allegedly paid on Orly's behalf, we have standing to address that. And I also want to just bring something to the Court's attention, which frankly has caused me concern simply as an officer of the Court.

Number one, the scope of discovery here, which I know Your Honor mentioned a moment ago, is that the creditor can look for assets or monies that are due and owing to Ms. Genger in order to look for assets to enforce the judgment against the lien. We don't dispute that. We understand that Mr. Dellaportas is focused on what he claims were payments out of this -- what he says is an Orly settlement of \$32 million but in fact it was not Ms. Genger's settlement. She did not negotiate that. She didn't settle it.

THE COURT: I -- listen, on that particular point and then I'll let you get back to what you were saying. On that particular point as to whose money it was, that settlement, and what happened to it, the parties obviously, you know, are telling me opposite things. And I haven't conducted a trial on the matter. I don't know what's true and what's not true. And I'm in no position to buy into what either side is telling me.

MR. BOWEN: That's fine.

THE COURT: Okay. It's discovery. People make whatever arguments they make. It leads wherever it leads, you

22 1 know, in the search of assets. But when you say that's simply not true, I cannot accept what you're saying anymore than I 2 can accept what Mr. Dellaportas is saying on that. 3 4 MR. BOWEN: And all I'm doing, Your Honor, is 5 correcting the record when Mr. Dellaportas says it was Orly settlement and it was a payment to Orly. 6 7 Well, I think you are well --THE COURT: MR. BOWEN: And he said that repeatedly already this 8 morning. 9 10 THE COURT: I think you are well on the record with 11 all of these many submissions with your positions on what this 12 money was or wasn't --13 MR. BOWEN: Okay. THE COURT: -- and whose it was or wasn't. And I'll 14 15 state that for this record that everyone has taken different 16 positions and those positions are reserved. 17 MR. BOWEN: So going back to this subpoena of 18 information from a lawyer's IOLTA account, let me just step 19 outside of counsel for Orly Genger and just say as a lawyer, 20 as a member of the bar, it is improper for an adversary to subpoena a lawyer's IOLTA account which involves privileged 21 22 communication and private communication between that lawyer 23 and his clients. So for Mr. Dellaportas to say, well, it's 24 okay, we'll just destroy it or we'll just return it, that's 25 problematic.

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1
              THE COURT:
                          What's the -- you're saying that Orly
    has a privilege in this information?
2
                          No, I'm not. I'm saying Mr. Spolansky
 3
              MR. BOWEN:
    has a privilege, and Mr. Spolansky has privacy --
4
 5
              THE COURT:
                          Okay. Well, you're -- you --
              MR. BOWEN:
                          -- interests and so do other people who
 6
7
    -- who are --
              THE COURT: Okay. Well, hold on a minute. To the
 8
    extent you are arguing that there is a privilege that runs to
 9
10
    your firm to your clients, I'll hear you on this. So are you
11
    arquing that there is a privilege that runs to your clients or
12
    to your firm?
13
              MR. BOWEN:
                          No.
14
              THE COURT:
                         Okay. So why am I hearing you on this
15
    topic?
16
              MR. BOWEN: Because we're dealing with a situation
17
    where a lawyer did something that is improper and unethical
18
    for the lawyer to do, and it's part of a broader problem in
19
    this case where in his zeal to find what he thinks are hidden
20
    assets, Mr. Dellaportas is going outside what is an acceptable
    use of judicial subpoenas either in federal court or in any
21
    other court. You can't -- to understand the checks --
22
23
              THE COURT:
                          All right. Well, wait, wait, wait.
    going to take them issue by issue that I have in front of me
24
    for discovery purposes to resolve discovery disputes; subpoena
25
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24 by subpoena, whether it was overbroad, whether it was proper; 1 2 okay, issue by issue. And I'll hear from anyone who has 3 standing to address any issue that's been raised. If you just generally don't like Mr. Dellaportas' 4 practices, I don't think that that -- that you're in a 5 position to challenge any in particular unless you or your 6 client is personally affected by it, you or your firm or your 7 client. 8 MR. BOWEN: Well, in the sense that Mr. Harris was 9 10 also representing Orly Genger to a certain limited extent in 11 this time frame and that certain monies flowed through his IOLTA account, it did affect her. But my concern is broader 12 13 than that because the type of information that Mr. Dellaportas is trying to get at, there's a way to do it that's appropriate 14 15 and there's a way to do it the way he used in this case by 16 subpoenaing an attorney's IOLTA account is inappropriate. 17 So I understand Your Honor --18 THE COURT: Are there any other --19 MR. BOWEN: -- saying you don't want to hear it 20 unless we have an injury. 21 THE COURT: Are there any other attorneys' IOLTA 22 accounts that are at issue here, or is this the only one? 23 MR. BOWEN: The only that we're aware of as far as But, again, as Your Honor pointed out, he hasn't 24 25 been providing notice and he may or may not be required to.

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    Our position is he is required to in certain circumstances.
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 2
              THE COURT: Okay. And what is your position as to
3
    why notice was required for this particular -- notice to you,
    why was it required?
 4
              MR. BOWEN: Because he was getting into information
 5
   between our client and one of her prior attorneys, and there
 6
    are potential privilege issues. So --
 7
 8
              THE COURT: Do you have authority for why this --
    why you are entitled to notice of the subpoena?
9
10
                         Well, I can't cite a case at this
              MR. BOWEN:
11
    moment, no.
                         Do you have codified authority in the
12
              THE COURT:
13
    rules?
              MR. BOWEN:
                          Well, it's basically a notion that you
14
    can't subpoena privileged information without giving somebody
15
16
    -- or potentially privileged information without giving the
    holder of the privilege an opportunity to interpose an
17
18
    objection. Otherwise, you're running a rough shot over the
19
    privilege.
20
              THE COURT: All right. And what exactly is
21
    privileged about checks?
              MR. BOWEN: Well, in this case, I don't think there
22
23
    were anything -- there was anything privileged about these
    particular checks which happened to be discovered by --
24
              THE COURT: Well, what would be privileged in an
25
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26 1 IOLTA account? MR. BOWEN: Well, the fact that any monies went 2 through an IOLTA account and what the purpose of the monies 3 were used for could be privilege in certain circumstances. 4 THE COURT: Well, why? Attorney-client privilege? 5 6 MR. BOWEN: Certainly. It could even be --7 THE COURT: And attorney-client privilege is communication by a client asking for legal advice or a 8 communication by a lawyer giving legal advice acting as a 9 lawyer and providing advice to a client. Why would a check 10 11 constitute either a request for advice or the giving of legal advice? 12 13 MR. BOWEN: Well, it may be related to topics that 14 were being discussed between that lawyer and the client --15 THE COURT: It's not a communication --16 MR. BOWEN: --or it may just be a confidence. 17 THE COURT: It's not a communication asking for or 18 giving legal advice. 19 MR. BOWEN: No, but it may be related to it. That's 20 my only point. 21 THE COURT: A document related to a privileged 22

communication is not privileged.

23

24

25

In certain circumstances, it may be, MR. BOWEN: But, listen, I don't want to belabor the point. certainly a confidence, and it certainly is private material

27 that doesn't belong --1 2 THE COURT: Okay. All right. Look, yes, it's true 3 that there are certainly information that can be pulled within a communication as in I'm giving you a document together with 4 a request for advice regarding this document. Yes, but it's 5 6 still communication-based. The privilege is communication-7 based, and it's advice-based. All right. Mr. Harris, you wanted to supplement 8 what you said before? 9 10 MR. HARRIS: Yes. I'm sorry. There was a subpoena, 11 a new subpoena on my IOLTA account that I believe was stayed 12 until this hearing. I think we resolved the subpoena in which 13 Mr. Dellaportas received information. I'm asking this Court 14 that it quash the outstanding subpoena and that Mr. 15 Dellaportas be prohibited from further subpoenaing my IOLTA 16 account. 17 THE COURT: What was this other subpoena? 18 MR. DELLAPORTAS: It was what we found, Your Honor 19 -- this is Dellaportas -- was that all the money brought in, the 858, 75, whatever it is, was not disbursed by the end of 20 21 2013. And so we were looking to see if further payments were 22 made out of that money to Orly's creditors in 2014. I would note that all of this would be resolved if Mr. Harris, whose 23 24 firm was subpoenaed directly and who was the trustee of Orly's 25 litigation trust, had complied with the subpoena that we

served on his firm where we sought all of this information.

So from our standpoint, I don't think we can take them in isolation. Mr. Harris, although he says he's her attorney and he may be, he's more significantly here, he's the co-trustee of a trust account that Ms. Genger set up to hold this \$33 million as they came in. Now this was a document that came as much surprise to us because everybody, counsel, witnesses, denied its existence until we found it.

But a part of what we seek from the subpoena of the Stein and Harris firm is records relating to money that came in and money that went out for Orly either as her attorney or as the trustee. And all that should be complied with. And if it is, then there's really no need for us to go to Bank of America for it if you will provide it directly. If he's saying he's not going to provide it directly, then we have to go to third-party financial institutions to get it.

THE COURT: All right. And what time frame are we looking at here; the date of the settlement to the present?

MR. DELLAPORTAS: Well, it depends on the things. With regard to Orly's assets, we're looking for basically the last six years, assets, income, what have you. With respect specifically to the 850 that we've traced through Mr. Harris, that we originally sought through the end of 2013 and now we're seeking for 2014.

MR. HARRIS: Your Honor, this is in a word

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    outrageous. Mr. Dellaportas, again, and he has not answered
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 2
    Your Honor or myself, refuses to acknowledge that $870,000 of
 3
    checks left my IOLTA account contemporaneous with that
    deposit. He is ignoring that fact because he is running a
 4
    rough shot over my client's and my IOLTA account and
 5
 6
    information.
 7
              THE COURT: All right. Mr. Dellaportas, did you see
    when you subpoenaed the IOLTA account and you got information,
 8
    did you see transfers out, contemporaneous transfers out to
 9
10
    Mr. -- is it Arie Genger; is that correct?
11
              MR. HARRIS: No.
                                The two checks, Your Honor, were
12
    500,000 to MS&K.
13
              THE COURT:
                          I'm sorry, MS&K?
14
              MR. HARRIS: Mitchell Silberberg & Knupp, the law
15
    firm.
16
              THE COURT:
                          Okay.
17
              MR. HARRIS: MS&K is their initials. And the
18
    balance of 368,000 odd dollars to Paul Weiss. Those were the
19
    two checks written --
20
              THE COURT: Okay.
21
              MR. HARRIS: -- as soon as that money came in.
22
              THE COURT: Did you -- Mr. Dellaportas, did you see
    those checks?
23
24
              MR. DELLAPORTAS: I saw a number of other payments,
25
    including those two. They did not add up to the 875,000.
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    That's an absolute falsehood. And they did not go out, as Mr.
1
 2
    Harris said, the day the money came in. That's not true
 3
             If you have the checks, why don't you produce them.
              MR. HARRIS: I have them, Your Honor.
 4
                                What are the dates?
 5
              MR. DELLAPORTAS:
 6
              MR. HARRIS: July 2nd. These are the dates, the day
7
    the money came in. I don't want to waste the Court's time,
    Mr. Dellaportas.
 8
 9
              MR. DELLAPORTAS: But more --
10
              MR. HARRIS: The two checks he's seen.
11
              THE COURT: Hold on. Hold on.
12
              MR. HARRIS: But more importantly --
13
              THE COURT: Hold on. Hold on. Hold on.
14
    Dellaportas, let's for the sake of argument assume that what
15
    Mr. Harris is saying is correct for the sake of argument. It
16
    may not be correct. If he is -- if it is correct that over
17
    $800,000 went out in a large chunk to MS&K and a large chunk
18
    to Paul Weiss, that gives you another avenue to trace money to
19
    see what happened with it next. I assume you are
    simultaneously doing that in case he is right and you're still
20
21
    trying to figure out if that money ended up somehow in the
22
    hands of Orly Genger, right? Is that right?
23
              MR. DELLAPORTAS: It's right to the extent that when
24
    we received your notice of the order, we stopped serving new
25
    subpoenas. We understood that Your Honor would be giving us
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31 quidance as to the appropriate scope. But it is definitely 1 2 our intention, unless Your Honor says we can't do it, to continue --3 THE COURT: Okay. So --4 MR. DELLAPORTAS: -- following this money to its 5 6 conclusion. 7 THE COURT: So you have not to date pursued that \$500,000 to MS&K to see what happened to it when it got there 8 or the 368 to Paul Weiss to see what happened to that money 9 10 when it got there, but you hope to do so to see if it ended up 11 with Mr. Arie Genger or if he turned around and passed some of it to Orly Genger or whatever, okay. 12 MR. DELLAPORTAS: Yes, Your Honor. 13 14 THE COURT: You are in the meantime following a 15 different thread, which Mr. Harris says is a false lead, but 16 you think might be a true lead of all of these other smaller 17 checks that went to people or entities that you know are 18 directly associated somehow with Orly Genger, her law firm, 19 expenses that she would have incurred in litigation, and so 20 on. 21 So it seems to me that both of these routes may be 22 legitimate routes to pursue wherever they end up going, and

one may end up being a dead end. But counsel don't have to

trust and believe each other. You know, nobody has to trust

and believe anybody in the discovery process. You are testing

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24

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as long as you've got something to go on that's not wholly invented and here you have checks, two sets of them.

It seems to me appropriate to follow those ends but not other, you know, people like Mr. Spolansky or -- why do I keep forgetting his name, Spolansky -- or others who have nothing to do with anything, okay. Because I cannot resolve today, and perhaps ever from where I sit, whether in fact the money from the settlement was in these two checks or was somehow in some other collection of money, not without more evidence, a hearing, sworn testimony, judging credibility of witnesses. I can't do all that today.

MR. HARRIS: Okay, Your Honor. In the meantime, until such time as that happens, I'm just asking the Court to please quash the subpoena for '14 because there has been no proffer that that is leading to more evidence of this 875 disbursement or any other attacks on my IOLTA account.

THE COURT: Well, I don't think I should do that, but I do think that you should have the ability to before the production is made, pursuant to that subpoena, to determine what is in that collection. You may be able to do that anyway from your end, to know -- you know, to confer with Mr. Dellaportas, to clarify what is and is not related in any way to Orly Genger to see if you have any disputes about that to make sure that this time Mr. Dellaportas doesn't end up with checks that have absolutely nothing to do with the parties to

33 this case. 1 2 So it seems to me what you need to do is work cooperatively and with -- is the bank represented here? 3 MR. HARRIS: The bank is not represented here, Your 4 5 Honor. 6 THE COURT: Okay. So but confer with each other 7 about a protocol, a mechanism to try to head off the problem of having things returned afterwards or destroyed. 8 figure out how not to have things produced in the first place 9 10 if you can come up with an agreed list to give to the bank and 11 say information on checks here or there. Or if you are willing to skip the bank for now and get the information 12 13 directly from Mr. Harris as to what checks there were, he 14 should have that information. You seemed to say before you 15 wouldn't have needed to go to the bank had you gotten 16 information directly from Mr. Harris. Maybe you can head it 17 off that way through some cooperative effort. 18 MR. HARRIS: If Mr. Dellaportas is willing to 19 withdraw that subpoena, I'm willing to review my 2014 IOLTA account for checks directly related to Orly Genger. 20 21 MR. DELLAPORTAS: Your Honor, we're not willing to 22 withdraw the subpoena. However, to get to the same point, we 23 are willing to have Bank of America make production to Mr.

Harris instead of to us. We don't know if Mr. Harris' records

are complete, but the bank's surely are. Mr. Harris, if he'll

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represent on the record that he will weed out any non-Genger family related checks and produce any Genger family related checks to me, that's to me a perfect solution.

MR. HARRIS: I'm willing to provide Orly Genger related checks. The purpose of Arie Genger related checks seems to be beyond the scope of what is reasonably being asked or discoverable here. Again, I'm not a litigant, but to me that would seem --

MR. DELLAPORTAS: Your Honor?

THE COURT: Well, we have this sort of lurking question of, you know, did Arie or did Orly get money that was intended for Orly. And there are those saying it was intended for Arie and, therefore, it goes to Arie and, therefore, there's no issue. And there are those who say -- or at least one person here who says it looks like money that others are saying was intended for Arie was really intended to Orly and I'm entitled to track that through and see if it ended up with Orly.

So maybe take it in steps. Maybe discuss with Mr. Dellaportas what there is. See if you can narrow down what dispute remains, if any. And you can come back to me, if necessary, with a narrower dispute after some good effort to try to work this out. The goal is to allow Mr. Dellaportas to get discovery related to Orly's assets and liabilities during the relevant time here and potentially Arie because of this

35 argument that money may have gone to Arie that may have been 1 2 Orly's assets. 3 MR. HARRIS: Okay. Thank you, Your Honor. appreciate it. And if Mr. Dellaportas will direct the 4 subpoena information to go to my office, I would certainly 5 work collaboratively in that vein. 6 7 I just want to make one last point, Your Honor. The totality of whatever the number is to your earlier point to 8 Mr. Bowen and Mr. Dellaportas, I am not here to opine on, but 9 10 I am here to say that the only one that both of these 11 gentlemen agree upon is that only \$875,000 of that proceeds 12 touched my IOLTA account. And only those 875 went out 13 contemporaneously from my IOLTA account. 14 THE COURT: Right. It's just that I don't have any 15 proof in front of me or any basis for making fact -- findings 16 of fact that what you say that this 868,000, which doesn't 17 quite match the amount that we're talking about, that that is 18 the proceeds. I mean money is fungible. It's unclear to me 19 that that was earmarked and that's where it went. I can't tell that now. It may be true. I just am not in a position 20 21 to determine that. And Mr. Dellaportas is entitled to follow 22 his leads, and if they turn out to be misleads, they turn out 23 to be misleads. But I'm just not in a position to do that. 24 It's discovery.

MR. HARRIS: Okay. So is Mr. Dellaportas saying to

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1
    the Court that he will redirect that subpoena to be delivered?
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              THE COURT: Mr. Dellaportas, can you please contact
 3
    the bank and give them the direction to produce the
    information to Mr. Harris?
 4
              MR. DELLAPORTAS: Yes, Your Honor.
 5
 6
              THE COURT: Okay.
 7
              MR. HARRIS: Thank you, Your Honor.
              THE COURT: That's on this record. And, also, Mr.
 8
    Dellaportas, in general, if you find yourself wanting to
9
    subpoena an attorney's account, please notify that attorney
10
11
    before you do so, all right?
              MR. DELLAPORTAS: I understand, Your Honor.
12
              THE COURT: Give that attorney an opportunity to
13
14
    protect his or her client's interests.
15
              MR. DELLAPORTAS: Okay.
16
              MR. HARRIS: Thank you, Your Honor.
17
              MR. BOWEN: Your Honor, Mike Bowen. I just have one
18
    point of clarification, if I may?
19
              THE COURT: Uh-huh.
              MR. BOWEN: One of the issues here is the temporal
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21
    scope, which Your Honor referred to at the beginning of the
22
    hearing.
23
              THE COURT:
                          Right.
              MR. BOWEN: And we do have a relevance and burden
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25
    objection to going all the way back to 2013 to start the kind
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    of tracing that we all agree Mr. Dellaportas is entitled to
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 2
         But to go back and look whether or not a court reporter
 3
    was paid $2,000 in 2013 --
              THE COURT: Well, when did the underlying dispute
 4
 5
    arise between the parties?
 6
              MR. BOWEN: Between brother and sister, meaning --
 7
              THE COURT: Right.
              MR. BOWEN: -- between Orly and Sagi --
 8
              THE COURT:
 9
                         Right.
10
              MR. BOWEN:
                         -- it was based on a promissory note
11
    that Saqi alleged existed or an indemnification agreement
    between Saqi and his sister Orly which related to a promise
12
    that Sagi had made to his mother. That document was dated way
13
    back in 2004. The first time Saqi tried to enforce that
14
15
    document against -- or that set of documents against his
16
    sister was 2014. That was the first federal litigation that
17
    started this.
18
              It was after --
19
              THE COURT: And what -- were there discussions
    between them and led up to that lawsuit or is it just straight
20
21
    to court?
22
                          It was straight to court. He made a
              MR. BOWEN:
             He paid under this promise a certain amount of money,
23
24
    I believe it was $200,000, to his mother and then he turned
25
    around and he --
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THE COURT: And when was that payment made to his 1 2 mother? 3 MR. BOWEN: In 2014. All right. And so when you're talking THE COURT: 4 about a statute of limitations for fraudulent conveyance, it 5 6 has to be to avoid payment of a debt. So if there is no 7 thinking about I'm going to have to try to avoid payment of this prior to it ever coming up and being an issue, why would 8 you go back further? 9 10 MR. DELLAPORTAS: So this is Dellaportas. Just to 11 address this, this money is exactly the money that Orly 12 promised to pay to --13 THE COURT: I'm sorry; "this money?" The 32 -- so Mr. Bowen referenced 14 MR. DELLAPORTAS: that in 2004, the two kids, Saqi and Orly, promised to 15 16 financially support their mother if they ever monetized the 17 shares of a company called Trans Resources, TRI. It was a 18 family business. So basically they told their mom, hey, mom, you're giving us these shares. If we ever monetize these 19 shares through dividends, sale, whatever, we're going to 20 21 support you, mom. 22 And because of a long series of facts which we don't need to get into, Sagi said he'd do the whole thing and then 23 24 Orly would indemnify him for half of what Sagi supported his 25 mother for. That's why we have this convoluted third-party

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39
   proceeding. So this is the money. So Orly always knew
1
 2
    because she signed the document that if she ever got money for
   her TRI shares, she was going to have to use that in some part
 3
    to financially support her mother. That was known since 2004.
 4
              So now in 2013, she gets $32.3 million through this
 5
 6
    settlement agreement. And they go to incredible angst to hide
 7
    this. We made various -- there's other litigations, as Your
    Honor knows. We made various discovery motions and sought for
 8
    over a year to get it before finally Judge Forrest ordered it
 9
10
    produced. And, you know, I think Judge Forrest was a little
11
    astonished by what was produced because it was inconsistent
    with the prior representations that had been made that Orly
12
13
    received no benefit from this.
14
              So when they say that there's no connection, they're
15
    inextricably intertwined, this money, this $32.3 million --
16
              THE COURT:
                          Okay. So --
              MR. DELLAPORTAS: -- is the monetization of the
17
18
    family business.
19
              THE COURT: -- this was July 2013?
              MR. BOWEN:
20
                          Correct.
21
              MR. DELLAPORTAS: Yes, ma'am.
22
              THE COURT: All right. And you want to go back in
    time earlier than July 2013? No?
23
              MR. DELLAPORTAS: No, just to the settlement.
24
25
              THE COURT: July 2013 forward?
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40
              MR. DELLAPORTAS: Yes. And that's within the six-
1
 2
    year statute of limitations for any fraudulent conveyance --
 3
              THE COURT: Okay.
              MR. DELLAPORTAS: -- that may have occurred.
 4
5
    that's really all we're --
 6
              THE COURT: Okay. All right.
 7
              MR. DELLAPORTAS: -- limiting it to.
              THE COURT: All right.
 8
              MR. BOWEN: But if I may, Judge, Bowen. Part of the
 9
10
    issue is it's not reasonably related to finding assets that
11
    exist today or monies that are owed to Orly today. And Mr.
    Dellaportas keeps saying that Orly received $32 million. It's
12
13
    just flat out not the case.
14
              THE COURT: Okay. All right.
15
              MR. BOWEN: I mean there's documentary evidence that
16
    that's not the case.
17
              THE COURT: Okay. Hold on a second. I'm going to
18
    allow discovery going back to July 2013, the date of the
19
    payment of this settlement of the first payment on the
    settlement if it wasn't fully paid. Unclear to me whether it
20
21
    was fully paid or partially paid.
22
              MR. BOWEN: It wasn't.
              THE COURT: It looked like from something I read
23
24
    that it was partially paid.
25
              MR. BOWEN: Correct.
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THE COURT: But I'm going to allow the discovery going back in time to that and trying to trace assets and liabilities from that point forward. I'm going to allow that. I haven't really seen any submission from any producing party or nonparty that claims undue burden and that demonstrates the burden. And if anyone wants to demonstrate burden, it is on the burdened party -- it is the burden of the supposedly burdened party to demonstrate that burden.

So I haven't really seen that any bank, any accounting firm, any, you know, Ms. Genger herself, that anybody is in fact unduly burdened. I haven't heard anybody say there are boxes and boxes in warehouses. It's going to take zillions of person hours to go through things. You know, it is an enormous enterprise. I haven't heard anything about burden.

I've heard about scope. I've heard about relevance. Most of the arguments seem to be about either relevance or harassment. With respect to relevance, I mean, again, it may be barking up the wrong tree, but I cannot determine that so I'm going to let Mr. Dellaportas bark. He can follow this 2013 payment and if he goes off on, you know, false lines where he thinks he's pursuing that money, you know, ultimately -- mixing metaphors oddly -- it won't bear fruit, so. But I'm going to let him try that, okay?

MR. BOWEN: This is Mike Bowen. We don't have an

issue with Mr. Dellaportas tracing -- there was \$17.5 million 1 that was paid out in July -- I think it was July 1, 2013. 2 There is objective documentary evidence that has already been 3 produced to Mr. Dellaportas, and we've prepared a chart and 4 summary of it. We can hand it up. And Mr. Dellaportas 5 6 already has all this information. We gave him a summary. 7 That information we're not making -- on behalf of Orly Genger, we're not objecting to that kind of barking. 8 What we are objecting to on the basis of harassment and on the 9 10 basis of relevance is to get into every check that Orly may 11 have paid or somebody may have paid on her behalf going all the way back to 2013 where those sources of funds have nothing 12 13 to do with the 17.5 million. It's just normal day-to-day 14 living that Orly Genger was doing over the last six years. Right. Well, so far I haven't seen 15 THE COURT: 16 anything where I can determine unequivocally that the 17 particular check has nothing to do with that money. There are 18 different arguments about whether the checks that I have seen 19 so far do or don't relate to that money. So arguments are arguments; both sides can have them. I don't know where the 20 21 relevance line lies for you, what in particular you're seeking 22 either not to produce on behalf of Orly or you're seeking to 23 quash on behalf on Orly as to some other subpoena on a 24 nonparty.

Well, we think that it has to do with

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MR. BOWEN:

the scope of these subpoenas to the extent that they're even 1 2 going to third parties and that's why --3 THE COURT: Well, let's take them --MR. BOWEN: -- I raise it in this context. 4 THE COURT: Let's take them one at a time. I have 5 6 four docket entries that are actually open motions that have 7 to be decided. They are 136, 138, 139, and 151. Those are the only ones where someone has actually said we need you to 8 rule on something, at least that's how you filed them, folks. 9 10 MR. DELLAPORTAS: So, Your Honor, said you wanted to 11 try to get the third parties out first, so we think we have an 12 easy one. 13 THE COURT: Let's take them one at a time. 14 ahead. You're on. 15 MR. DELLAPORTAS: Okay. So this is 130 through 133 16 docket entries. And so it's pretty much standard boilerplate 17 black letter law that you get the judgment debtor's tax 18 returns. So we asked them from Orly. She didn't provide them. We subpoenaed them from the accounting firm we know her 19 to be an accountant. The accountant -- the accounting firm 20 21 raised the burdensome objection. It's fair. They're a third 22 party. We addressed that with them by offering -- agreeing to reimburse them for their expenses or the set amount. 23 24 And so the only issue they had is that there's a 25 statute which says that an accountant can only release tax

44 returns upon a court order such as a so-ordered subpoena. 1 2 we made a joint application to so order the subpoena on the Law Firm of Raines & Fischer. Raines & Fischer did not 3 Orly did object. They didn't cite any case law that 4 says you don't get tax returns. You did get returns. 5 6 They say -- they've insisted that they have a right 7 to unilaterally redact unrelevant information from the tax returns. Tax returns are not -- it's all financial 8 information. We don't believe there should be any redactions 9 from a tax return. And, number two, they made the same 10 11 argument that we shouldn't be allowed to go back six years. And, again, the case law is very clear that you can go back 12 13 and try to set aside fraudulent conveyances. You can look at transfers with a judgment debtor to check their bonafides is 14 15 what the case law says. 16 So between us ad Raines & Fischer, we have an agreed-upon motion where we move the Court to so order the 17 18 subpoena. Raines & Fischer will produce the materials. 19 Wait, I'm sorry. Is Raines & Fischer THE COURT: represented here? 20 21 MR. LUST: Yes, Your Honor. 22 That would be you, okay. THE COURT: 23 MR. LUST: Yes. And just to follow up Mr. 24 Dellaportas --25 THE COURT: And you are?

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              MR. LUST: Dan Lust.
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 2
              THE COURT: Mr. Lust?
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              MR. LUST:
                         Of Goldberg Segalla.
              THE COURT:
 4
                         Okay, Mr, Lust.
                         So everything Mr. Dellaportas said is
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              MR. LUST:
              There are some provisions of the Internal Revenue
 6
 7
    Code that do state that, you know, absent the account holder
    voluntarily providing those documents, the only way that the
 8
    accounting firm can provide them is under a court order. And
 9
10
    beyond that, we have no objection to the Court so ordering
11
    that. We do understand that there are some objections from
    Orly Genger, but beyond that, we don't have any objections.
12
              THE COURT: All right. So the only thing that held
13
14
    this one up was Orly Genger's objections. And if you want to
15
    speak to it, I'll hear you. Otherwise, I'll so order the
16
    subpoena.
17
              MR. HERSCHMANN: It's Eric Herschmann on behalf of
18
    Orly Genger.
                  The issue that Mr. --
19
              MR. DELLAPORTAS: I would object, Your Honor.
    has not entered an appearance in this case. And previously
20
21
    when I tried to send him stuff --
22
                          This is post-litigation discovery to
              THE COURT:
23
    enforce a judgment. So I'll hear him.
24
              MR. DELLAPORTAS:
                               Okay.
25
              MR. HERSCHMANN:
                               Thank you, Your Honor.
                                                       The issue,
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and I quess I'll consolidate it this way, what Mr. Dellaportas has said is we're entitled to trace the \$17.2 million that has been paid, right. Your Honor's now said that that's okay. The issue then is \$17.2 million was disclosed in claim of Arie Genger's tax return for the 2013 year, all of it. All of it's on Arie Genger's tax return. Mr. Dellaportas said I'm entitled to see whether she got some of the \$17.2 million. Our response was, okay, we'll give you the tax returns going back six years to show you that none of the \$17.2 million from the settlement came. reality, only \$875,000 of the \$17.2 million had anything to do with going to Arie Genger. The other amount of it, which everybody knows, went to the Broser family who lent money to Arie Genger. It all went to their accounts, never touched Orly Genger's accounts, never touched her tax returns, never touched her bank accounts, nothing. So we've said you've articulated for us before Judge Broderick in the letter of October 10th why you want to go back six years. No problem, we will give you the tax returns to show you. Whatever else happened six years ago as far as whatever income she earned, payments that have nothing to do with the settlement, have nothing to do with a 2018 judgment. That's what we're willing to do without any hesitation. What Raines & Fischer was saying is as accountants,

we need a court order to provide it. And what we've said is

47 you don't need the court order. Just agree to sign a standard 1 confidentiality agreement, which he refused to do, and we'll 2 give you all the information. And what you will see is that 3 none of it went --4 THE COURT: Okay. When you say all the information, 5 6 you mean complete unredacted tax returns? 7 MR. HERSCHMANN: No, no. What Mr. Dellaportas articulated before Judge Broderick in the submission --8 THE COURT: Which submission; what docket number? 9 10 MR. HERSCHMANN: Our response is 134 where we 11 identify -- he says that in his view, six years of all these 12 returns --THE COURT: All right. It says, "Orly agrees to 13 14 produce to Saqi all relevant portions of her tax returns that 15 were prepared from the date of the settlement agreement in 16 question." I presume that means forward. 17 MR. HERSCHMANN: Correct. 18 THE COURT: Okay. When you say all relevant 19 portions of her tax returns which is in bold, what portions do you mean? Do you mean a single line on each tax return? 20 21 MR. HERSCHMANN: No, Your Honor. If you look up in 22 the paragraph at the top of the paragraph, Mr. Dellaportas specifically arqued that he wanted the tax returns "that may 23 24 reflect the disposition of proceeds from the settlement 25 agreement with the entities known as the Trump Group which

related to her beneficial interest in the family business." 1 2 That's what he asked for. We said no problem. 3 You're tracing \$17.2 million. THE COURT: Right. And when you say you agree to 4 5 produce all relevant portions of the tax returns, what 6 portions do you mean? Do you mean a single line item or if 7 it's not in there, do you mean an entirely redacted document? MR. HERSCHMANN: Well, I think, Your Honor, there's 8 portions of the tax returns that would show whether or not she 9 10 got a disposition or a payment. So here's the problem that 11 everyone has. She didn't get the money. The tax returns --12 and he has Arie Genger's tax returns. THE COURT: So if you produce Orly Genger's tax 13 14 returns and she didn't get the money and you would agree to 15 produce all relevant portions, what you're agreeing to produce 16 is a document that is completely redacted? 17 MR. HERSCHMANN: No, Your Honor. We would end up 18 producing information that may show a total income line, but 19 it would also show that she didn't receive anything because you have to match up the two documents. Arie Genger's tax 20 21 return reflects he got \$17.2 million. Obviously, Orly 22 Genger's tax returns prepared by the same accounting firm are 23 not going to show that she got \$17.2 million. And the reality 24 of what's transpired --

Well, could a tax return show money that

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THE COURT:

49 comes in and also money that goes out? 1 2 MR. HERSCHMANN: Sure. And Arie Genger's return would show that. But Arie Genger's return doesn't show that 3 he gave part of the proceeds to Orly Genger, and Orly Genger's 4 tax return --5 6 THE COURT: As far as I could tell, his tax return 7 was not produced in its entirety. It was only -- only one line of it was produced; is that right? 8 MR. HERSCHMANN: I think it was a schedule and it 9 has the 17.2 million to him. 10 11 THE COURT: But does it show any monies out? 12 MR. HERSCHMANN: I don't think there was any money that went out as it relates to Orly Genger for sure not. 13 14 her tax returns, and what we're doing is we're proving a 15 negative. What does he want to see? He wants to see whether Orly Genger's tax returns reflect that she got any of 17 --16 17 I think what he wants to see the tax THE COURT: 18 returns are tax returns that aren't redacted so he can see for 19 himself if there's anything there as opposed to trusting that 20 you have in fact shown him everything. 21 MR. HERSCHMANN: Sure, Your Honor. But that -- so 22 here's the issue so you can depose Orly and Orly says I didn't 23 get it. That's one source. The accounting firm says --24 THE COURT: And he clearly doesn't trust what Orly 25 is saying.

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              MR. HERSCHMANN: No, there's no question, Your
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 2
   Honor.
            I agree, but then you --
                          So he clearly wants documents.
 3
              THE COURT:
              MR. HERSCHMANN: I understand that, but that's why
 4
    the documents from the Brosers and from the accounts show that
 5
 6
    the money went to the Broser family. There's no dispute about
 7
    that.
              THE COURT: But wait, wait, wait.
 8
              MR. HERSCHMANN: Right?
 9
10
              THE COURT: Wait a minute.
11
              MR. HERSCHMANN:
                               Sure.
              THE COURT: There is some money, some fairly
12
    significant chunk of money that everybody seems to agree went
13
    to Arie Genger who I gather is the father, right?
14
15
              MR. HERSCHMANN:
                               No.
16
              THE COURT:
                          No? Arie's not the father?
17
              MR. HERSCHMANN: No, I'm sorry. Arie is the father.
18
    I don't think we all agree where the chunk of money went.
19
    think that --
              THE COURT: You don't all agree that some money went
20
21
    to Arie Genger?
22
              MR. HERSCHMANN: No, I think to trace it exactly,
    Your Honor, we have a chart that may make it really easy
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24
    because it actually shows the bank accounts and exactly what
25
    transpired.
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              THE COURT:
                         I'm sorry. This is something Mr.
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    Dellaportas has?
              MR. HERSCHMANN: He has all the backup documents for
 3
           Everyone has the backup documents and --
 4
              MR. DELLAPORTAS:
                                I have --
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 6
              MR. HERSCHMANN: And then I think it could be
 7
    addressed simply. [Indiscernible] I'll be finished in a
    moment if you'd give me a minute, okay?
 8
              And, Your Honor, I'm more than happy to hand it up
 9
10
    because I think they're all exhibits that have been provided.
11
    The money went very simply, right, the $17.2 million --
              THE COURT: Can I reiterate for the umpteenth time
12
13
    here, I cannot accept what you're telling me is true just as I
14
    cannot accept what Mr. Dellaportas is telling is true. If you
15
    say this is where the money went, trust me, I can't do that.
              MR. HERSCHMANN: Your Honor, I agree with you.
16
17
              THE COURT: So, Mr. Dellaportas is entitled to look
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    at the same tax returns that you're looking at to confirm it
    for himself and for his client and if it's not there, it's not
19
    there. And I don't mind it being under protective order and
20
21
    presumably, he doesn't mind it being under protective order.
22
    I think, if I can speak for him, what he's objecting to are
    redactions or a refusal to produce altogether.
23
              MR. HERSCHMANN: So there's no -- we agree if he
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25
    would have signed --
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THE COURT: So produce the tax returns from 2013 forward for Orly Genger unredacted under protective order, and I'll sign one.

MR. HERSCHMANN: Okay. So could I just ask then one point because what you're saying is he doesn't believe that she didn't get the money, which I understand, right? The only way you know whether she got the money on the tax returns would be a disclosure. It would have to be there. And what we're saying is we're going to give you that portion of the tax returns.

THE COURT: Right. Give them the entire tax returns for Orly Genger from July 2013 or the year 2013 forward without redactions under a confidentiality order, negotiate one, I'll sign it.

MR. HERSCHMANN: Okay.

THE COURT: You submitted a stipulated protective order for a Mr. Broser [sic], I believe, which I'm happy to sign. I just have to put off everything until this conference. But the idea that you get to redact and say we know what portions are relevant and he doesn't get to see the other portions when this is the judgment debtor, let him have the full tax returns and do it under a confidentiality order.

MR. HERSCHMANN: Okay. And the only thing that we would ask is that if we get to these tax returns and you can imagine the contentiousness that has existed amongst this

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    family --
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 2
              THE COURT: I don't have to imagine.
                                                    I've seen it.
 3
              MR. HERSCHMANN:
                               I completely agree.
              THE COURT:
                          And by the way, it is a new year.
 4
 5
              MR. HERSCHMANN:
                               I completely --
 6
              THE COURT:
                          January 1st just came. I mean I don't
 7
    know why families have to behave like this. Lawyers certainly
    don't have to behave like this. Any hostility within
 8
    families, you know, the lawyers have to rise above as they try
 9
10
    to work cooperatively as members of the bar, all right. But
11
    maybe it's time for everybody turning over a new leaf and
    trying to sort this all out. I think a settlement here is
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13
    more than I can manage, but --
14
              MR. HERSCHMANN: I could tell you that we have tried
    on multiple occasions and, sadly, since someone who gets to
15
16
    live it every day more than anyone else, I don't think it's
17
    possible. But I will say this, Your Honor, the only thing
18
    that we'd ask in the confidentiality -- and we're going to
    provide them with the tax returns under a confidentiality
19
    order -- when he sees on the schedules because that's the only
20
21
    place it's going to potentially exist that it's not there, we
22
    want the limitation to be for this, not that he finds out
    somewhere else because he didn't want to identify even the law
23
24
    firm that would get documents.
25
                          This is not a full sentence.
              THE COURT:
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              MR. HERSCHMANN:
                               Sure.
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 2
              THE COURT:
                          The only thing you're asking is?
              MR. HERSCHMANN: Is that he uses it solely in this
 3
   proceeding for this purpose because if it turns out that it's
 4
    not on the schedule, he didn't want to identify when we said,
 5
    all right, we'll give the -- we'll sign the --
 6
 7
              THE COURT: What is the concern, that he uses what's
    on the tax return how?
 8
              MR. HERSCHMANN: To send to someone else in some
 9
10
    other way. I mean this is what's been transpiring, and it's
11
    been a circumstance --
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              THE COURT: I'm sorry. That's very vague.
13
              MR. HERSCHMANN:
                               Sorry.
14
              THE COURT: What are you talking about?
15
              MR. HERSCHMANN: In that he's doing post-judgment
16
    enforcement. He's saying I need to see a tax return to
17
    determine whether or not Orly got some portion of $17.2
18
    million. We're going to give him unredacted versions of that
19
    tax return.
              THE COURT: And I presume also to see if there are
20
21
    other sources of income, if there are other assets as to which
22
    a judgment could be enforced.
23
              MR. HERSCHMANN:
                               Sure. No question. That's why we
24
    initially said 2017 and 2018, we understood wanting those tax
25
    returns. Be that as it may, that's fine. What we don't want
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    to see happen is that the tax returns end up in some other
1
    filing somewhere that he decides, okay, I want to go use this
 2
 3
    for something.
              THE COURT: How many current litigations are there
 4
   between this brother and sister?
 5
 6
              MR. HERSCHMANN: Several.
                                         Surrogates Court, fraud
 7
    finding against Sagi Genger before Judge Jaffe; breach of
    fiduciary duty finding against Sagi Genger by Judge Jaffe.
 8
    Both have been up on appeal. We're doing the damages phases
 9
10
    now.
11
              THE COURT:
                          You guys are all nuts.
                          Your Honor?
12
              THE COURT:
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              MR. HERSCHMANN: This is a unique case, Your Honor,
14
    in a variety of ways, but, you know, it has been playing
15
    itself out for many, many years amongst the four family
16
    members. And, sadly, this is where it is, right.
17
    unconditionally they'll see because in the submissions, we'll
18
    see that on certain businesses which Mr. Dellaportas arqued
19
    were very, very successful, Orly never made a penny. So at
    the end, I think it'll all come clear what happened with the
20
21
    money. But at this stage, I don't see a way of having tried
22
    this now for several years --
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              THE COURT: Mr. Dellaportas?
24
              MR. HERSCHMANN: -- to resolve it.
25
              THE COURT: Mr. Dellaportas, are you willing to have
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    the Court enter a protective order that says that the Orly tax
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 2
    returns would be produced to you in their entirety without
 3
    redaction for use for the purposes of enforcing this judgment
    and not to be used for any other purpose?
 4
              MR. HERSCHMANN: Absolutely, Your Honor.
 5
              THE COURT: Fine.
                                 Then let's do that.
 6
 7
              MR. DELLAPORTAS: Okay.
              THE COURT: Submit a jointly proposed protective
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            I'm sure you can do that.
 9
    order.
              MR. DELLAPORTAS: Your Honor, and that's why I stood
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11
    up because the parties actually -- this is one of the issues
    that unfortunately had to be put before Your Honor because the
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13
    parties entered into those negotiations. We offered actually
14
    a proposed order with much broader protections than Your Honor
15
    just recited and --
16
              THE COURT: No, I was just responding to the one
17
    that I heard Mr. Herschmann, right?
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              MR. HERSCHMANN:
                               Correct.
              MR. DELLAPORTAS: Yes.
19
20
              THE COURT: -- speak to?
21
              MR. DELLAPORTAS: And, unfortunately, they insisted
22
    on some provisions in the confidentiality agreement that we've
    never seen before and we don't think are proper. So the
23
24
    confidentiality stipulation that we'd proposed --
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              THE COURT: All right. Well, wait, wait a minute.
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Hold on a minute. Give me an example of a term that you've 1 2 never seen before that you think is improper. 3 MR. DELLAPORTAS: Okay. So one of them says that we cannot even show -- if they mark something confidential, we 4 can't even show it to the Court, to you, Your Honor, unless we 5 6 get a prior court order. So first I have to go to you to seek 7 an order for permission to show you the confidential documents, Your Honor. I mean we said it should be in camera, 8 you know, if it's --9 10 THE COURT: Look, there are plenty of sample 11 protective orders floating around that have been approved by 12 judges in this court. A number -- I don't have a model protective order, but a number of judges do. And I'm prepared 13 14 to sign anything that is rational. If it has some provision 15 in it that's outlandish like you can't show it to the Court, 16 I'll strike it. But don't do something outlandish, Counsel. 17 And, you know, I'm sure you can negotiate a confidentiality 18 That seems to me beyond --MR. HERSCHMANN: Your Honor, Eric Herschmann. 19 MR. DELLAPORTAS: I'm still speaking. 20 21 MR. HERSCHMANN: I agree. 22 MR. DELLAPORTAS: I'm still speaking here. 23 MR. HERSCHMANN: The judge just asked me a question 24 MR. DELLAPORTAS: I'm sorry, I'm still speaking. THE COURT: Hold on. 25

58 MR. HERSCHMANN: The judge asked --1 2 MR. DELLAPORTAS: I was just --THE COURT: Hold on. No simultaneous talking. 3 Remember we don't have a court reporter here who's able to say 4 stop it, I can't get it. So I'm going to have to play that 5 6 role, okay. I'm sure someone's going to want to have a 7 transcript made. If you speak simultaneously, you're going to get jibberish. 8 MR. DELLAPORTAS: So if I could finish my thought? 9 10 THE COURT: No, you can't finish the thought. I 11 interrupted you for a reason. 12 MR. DELLAPORTAS: Okay. 13 THE COURT: Okay? I am sure that you are able to negotiate a confidentiality order. I am sure you're able to 14 15 do that. If for some reason you are not able to negotiate top 16 to bottom an appropriate confidentiality order, what I expect 17 you to do is to submit to me a single document that has at any 18 given location the two dueling language proposals. 19 So if it's who can see it, if one side says and this party, and the other says no, it'll be the two dueling 20 21 options. I will either cross one out or I'll cross the other 22 out or I'll cross them both out and I'll write my own, but it'll make it easy for me to edit. Don't do anything 23 24 outlandish. Do something pretty standard, and I will go for 25 it, okay.

59 1 And then you'll make the production of the complete 2 tax returns unredacted. The one thing I've heard that I've already said I would do is to say that they should be used for 3 purposes of the enforcement of this judgment and not for other 4 5 purposes, okay? 6 MR. HERSCHMANN: Okay, thank you. 7 THE COURT: Got that? MR. DELLAPORTAS: Yes. And, Your Honor? 8 THE COURT: Let's move on. 9 10 MR. DELLAPORTAS: Okay. And just to clarify, Your 11 Honor, our subpoena upon Raines & Fischer was somewhat broader than that and sought some other materials as well. 12 hear any objection to them, but we would like that to be so 13 ordered. 14 15 THE COURT: All right. Is there objection to 16 anything else that was covered by that subpoena? What else 17 was covered by the subpoena besides tax returns? 18 MR. DELLAPORTAS: Any -- we -- I'm sorry, Your 19 Honor. Let me get out the subpoena. 20 UNIDENTIFIED SPEAKER: It's 131. 21 [Pause in proceedings.] MR. DELLAPORTAS: So it seeks six document 22 categories. It seeks information about the settlement 23

It seeks anything about other property or debts

held by Orly Genger. It seeks -- it's about it, really. And

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60 documents concerning Orly Genger's accounting work, all 1 2 communications regarding the foregoing matters. I mean it's 3 the same stuff we've been talking about all day. MR. HERSCHMANN: With all due respect to Mr. 4 Dellaportas -- Eric Herschmann -- it is not all related to the 5 6 same thing. And let me start with this, if Orly has other 7 liabilities. That's not applicable to a judgment creditor. He's entitled to know what assets she has, right, and he's 8 entitled to know what debts are due and owing to her. But if 9 10 she owes additional debts, that's not relevant to the judgment 11 creditor in collecting his judgment. But he started off --THE COURT: Why would it not be relevant to discover 12 13 that actually certain money is not available because it's owed 14 somewhere else and that other party has priority? 15 MR. HERSCHMANN: Because it presumes that there's an 16 asset, right. So the question becomes this, I'm a judgment 17 creditor. Do I get to go ahead and look at what other 18 liabilities you have. The answer's normally not. I get to 19 look at what assets you have. THE COURT: You have authority on this? 20 21 MR. HERSCHMANN: I'm sorry. 22 THE COURT: Authority? I don't have it in front of me 23 MR. HERSCHMANN: 24 because I thought --25 THE COURT: So, generally what you're saying is in

61 post-judgment discovery, a judgment creditor is only entitled 1 to discovery as to assets, not to liabilities? 2 3 MR. HERSCHMANN: It's normally assets and debts that are due and owing. And we could provide that to Your Honor, 4 but those are the two categories that you look towards, debts 5 6 that are due and owing and assets. And what we started with 7 Raines & Fischer in the tax returns was \$17.2 million. And now we've agreed we're going to do and produce all of the 8 \$17.2 million or all the tax returns unredacted. 9 10 Now what he's saying is even though those should 11 show a lot of the things on the tax returns, he say I want to see anything else associated with whatever liabilities 12 13 And that's just, in our view, doesn't relate to the 14 two focus areas, which are assets and debts that are due and 15 owing. And we're prepared to submit --16 THE COURT: I'm sorry. You think the information 17 that the accounting firm has is severable so that there could 18 be certain information that is solely with respect to a 19 liability that can be carved out and not produced and other information solely with respect to assets or amounts due to 20 21 Orly that can be --22 I'm sorry, Your Honor. MR. HERSCHMANN: 23 THE COURT: I'm talking about the subpoena on Raines 24 & Fischer. 25 MR. HERSCHMANN: And I apologize. I misread the

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    subpoena. He asked for debts owed to Orly, and I agree that
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 3
              THE COURT:
                          Okay.
              MR. HERSCHMANN: -- that's appropriate.
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              THE COURT: So do you have other objections to that
 5
 6
    subpoena?
 7
              MR. HERSCHMANN: Well, we object to debts owed to
    Orly.
 8
              THE COURT: Well, is that in the subpoena?
 9
10
              MR. HERSCHMANN: Well, it says debts to, owed by, or
11
    to Orly.
             Debts owed --
              THE COURT: Wait, I'm sorry. Does anybody have a
12
13
    copy of the subpoena? Is it part of the exhibits?
              UNIDENTIFIED SPEAKER: 130-1.
14
              THE COURT: It's 130-1. Hold on one second. Let me
15
16
    pull it out.
17
                        [Pause in proceedings.]
18
              THE COURT: All right. Exhibit A, all tax and
19
    information returns filed by or on behalf of Orly Genger,
20
    okay. I'm not reading everything, but that's item 1
21
    essentially.
22
              Tax and information returns for any trust or entity
    in which she manages or holds an interest, okay. Documents
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    relating to the settlement agreement, okay. Escrow accounts
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    or arrangements thereunder, okay. Promissory notes issued
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63 thereunder, okay. Payments thereunder, okay. Documents relating to actual potential tax treatment of the Orly settlement agreement or any resulting payments, okay. All documents concerning any property held by or in debts owed by or to -- so this is the crux -- debts owed by or to Orly Genger at any point during the last six years. the next item is documents in terms of transfer of Orly Genger's accounting work to another accountant. And then communications regarding the foregoing matters -- subjects, so -- subject matters. So you have one challenge, and that's the words "by or to" in Item 4? MR. HERSCHMANN: Yeah. And, obviously, all communications regarding any of the foregoing subject matters is going to be overly broad if you're talking about an accountant's work for the last six years, you know, on this, especially if he's getting the first --THE COURT: Well, wait a minute. Wait a minute. Ιf the items are relevant, then communications regarding the items are going to be relevant. The communications regarding the five subject matters listed before, if I find the five subject matters are relevant, I'm going to allow discovery

into communications about those five subject matters. So what

I'm taking you to be complaining about is really a single

word, and that is the word "by," debts owed by Orly Genger.

64 Is that right? 1 2 MR. HERSCHMANN: Yes, Your Honor. If I could just 3 -- I just want to read the last portion. [Pause in proceedings.] 4 MR. HERSCHMANN: Your Honor, that's where the focus 5 6 would be. 7 THE COURT: All right. So let me hear briefly from Mr. Dellaportas about the word "by" in Item No. 4. This would 8 be debts owed by Orly Genger at any point during the last six 9 10 years. 11 MR. DELLAPORTAS: Yeah. This turns out to be highly 12 relevant, Your Honor, and we have a reason for that. As Your Honor will recall, there was a predecessor action involving 13 14 this same debt, and it went all the way up to the Second 15 Circuit. It was affirmed. And then it came back down, and 16 there was judgment enforcement litigation. Your Honor had to 17 issue an order about the surety and all that. 18 So when the matter came back down was in early 2017 and we started to serve judgment discovery. At around that 19 time, Orly started filing UCCs, a dizzying array of UCCs in 20 21 three separate states: Texas, Florida, and New Jersey. And 22 so, among other things, she filed a UCC statement in May 2017 23 in Texas where she pledged all her assets to Mr. Herschmann, 24 her husband/lawyer. 25 So what's going to happen, we presume, is if and

when we find an asset to collect on, Mr. Herschmann is going to stand before us and say, Your Honor, I'm first in line. I have a pre-existing UCC. So from that standpoint, we would like to know as the judgment creditor if there's some other creditor who claims to be in front of us, who they are, what's the basis for it, and whether it's valid, and so that we can explore that. And the time to explore that's in discovery, not when we have a U.S. marshal with a levy. That's not the right way to do it. The right way to do it is during discovery.

So we'd like to know generally what debts she has but specifically Ms. Genger has pledged all her assets to her husband, and she did so after the scope of the liability was pretty well-known. If there's some sort of documents underlying that, we'd definitely be interested to learn that. The loan agreement, it strikes us as unusual at a minimum and, you know, there's a lot of conflicting hats people are wearing here.

So that's what that's about. And then on top of that, then five days later, her father Arie also pledge his assets to Mr. Herschmann. Then the following year, Orly pledged her assets in Texas and New Jersey to Arie in August of next year. So we have this circular set of liens whereby any creditor who comes up to Orly is going to find that Arie claims to be in front of us, that Mr. Herschmann claims to be

66 in front of us, and that Arie then whatever he gets, he 1 2 pledged to Mr. Herschmann. So all of this ends up going -- it forms a perfect 3 circle whereby Orly's assets end up, as long as they're 4 married I assume, be used for the benefit of Orly. So this is 5 6 something we definitely need to explore in discovery. 7 be in the accountants. We have other subpoenas that are before Your Honor as well where we're seeking to vet this, but 8 9 that's why it's relevant. Thank you, Your Honor. 10 MR. HERSCHMANN: Can I respond, Your Honor? 11 Herschmann. And this is exactly the point I'm talking about. The issue of what's debt, whether Orly had a mortgage or 12 13 whether she was lent money subsequent to a 2014 judgment, 14 right, and it's UCC filed, which is what a secured creditor 15 does when they lend money, that's irrelevant. It's totally 16 irrelevant to judgment enforcement. 17 What he's trying to say is if there's a -- if I go 18 exercise my judgment and if an asset has a lien on it, there's 19 a mortgage on a property, I'm entitled to understand the 20 mortgage and everything else to see whether or not I can get 21 ahead of the mortgage. That's not what you do in judgment 22 enforcement. You're checking on what the debtor has, right.

The reality of what money got lent and who lent the

But if there's a lien that's been public filed, that's what's

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happened.

money and how it was done, that's not relevant to his judgment enforcement. What he's trying to say is it may be that I think your loans or whatever are fraudulent. He can suppose that, but he'll have no basis for saying it. And I think the issue, and that's why, Your Honor, the focus should be on what assets she has.

If she owes \$100 million or \$10 million and that money is owed into a secured creditor and Sagi is an unsecured creditor -- and as Mr. Dellaportas well knows that if this judgment is upheld on appeal, that Orly will file for bankruptcy. That has been made clear. There is no dispute about that fact, right. I don't think Sagi Genger disputes it, Orly Genger has said it under oath. It has been -- it becomes abundantly clear that's what will transpire.

But he's here to pursue assets of Orly or debts that are due and owing to Orly, not what she owes to other parties.

THE COURT: First of all, I don't know what the documents are. I don't even know -- I'm going to direct this to Mr. Lust -- I don't even know if they're severable. I don't even know if there are documents that would be produced with respect to debts owed to where you could carve out information about debts owed by without having to be, you know, redacting a document. There may be a net worth statement or something that has, you know, more than one column in it.

So I don't even know what we're talking about here.

MR. LUST: That's a fair inquiry, Your Honor. My
understanding is that once -- or if and when the subpoena is
so ordered, that we would hash it out, see what documents
actually are there and, you know, whatever's responsive to the
subpoena. If there's an issue, I'm sure we can involve the
parties if there's, you know, some ambiguity. But I think the
terms of the subpoena, at least what the scope of it it lies,
I don't think -- I think that's pretty clear.

So unless Your Honor wants to sever the debts to or

So unless Your Honor wants to sever the debts to or owed by, I mean as it stands now, I think it's all encompassing where we wouldn't have an issue producing that.

THE COURT: All right. I'm going to give Orly's counsel a very short period of time to provide me with case law authority that post-judgment discovery regarding liabilities of the judgment debtor are not appropriate for discovery. You find me case law from this circuit that says, no, that ought to be out of bounds. I'll consider limiting this subpoena to take out those two words "by or" and just leave the "to," the liabilities owed to Ms. Genger. I'm a little dubious, but that's -- and not a fully educated reaction.

And I would also not be inclined to have documents selectively redacted so that they don't make sense in their entirety. If they are stand-alone documents that only relate

to her debts -- in other words, not information that's 1 2 encompassed within a tax return or a net worth statement or a 3 profit and loss statement or something like that, I really wouldn't want to see a document redacted so that it makes less 4 sense, all right. But I'll give it a very short time to let 5 you see what you come up with. 6 7 MR. HERSCHMANN: Eric Herschmann, and I completely agree. I think what we'd be talking about are documents that 8 are -- and like I'll put it under the doctrine of 9 10 completeness. It's not a circumstance where I think Raines & 11 Fischer would say let's redact something out. And I don't even think they have the documents because I don't think it's 12 13 relevant on returns, but the documents that are totally 14 separate and apart, right, that have nothing to do with assets 15 or Orly's, right --16 THE COURT: Well, let's do this then. Let's do 17 I'll so order the subpoena. So, Mr. Lust, when you 18 collect documents for production, take a look at the documents 19 with your client, see if there are any documents that as stand-alone documents relate only to amounts that Orly owes to 20 21 someone, okay, as opposed to anyone owing her something, all 22 right. If there are any -- I'm not asking you to redact any documents that are produced, but if there are any stand-alone 23 24 documents like that, let counsel for both Sagi and Orly --25 figure out one contact person between you, please, so that Mr.

70 Lust knows who to be in touch with on Orly's side. 1 But let counsel know that there's something that 2 you're holding back until that issue is resolved. If there is 3 nothing, then that issue becomes moot, all right. Nobody has 4 to do any research, nobody has to give me anything if there 5 really is nothing of that nature. 6 7 MR. LUST: And, Your Honor, that's just in general any documents related to No. 4, on Paragraph No. 4? 8 That's right. It's only on Paragraph 4 9 THE COURT: 10 where it says, "Documents concerning any property held by or 11 debts owed by or to Orly, " if there are any stand-alone documents that relate to debts owed by Orly. 12 MR. LUST: And, Your Honor, we can -- I can ask our 13 client to just run a search if there's any documents relating 14 to No. 4 whatsoever, you know, I think that might also 15 16 expedite the process as well, assuming that those --17 THE COURT: Well, I think it's going to be covered 18 by some of the others. 19 MR. LUST: Understood. That's a fairly broad category. 20 THE COURT: 21 we're really just talking about, you know, what does she owe 22 somebody as a stand-alone document. MR. LUST: Understood. 23 THE COURT: Okay. If there's anything like that, 24 25 tell counsel on both sides. And before you produce that

remaining document or those remaining documents, I'll give 1 2 counsel for Orly an opportunity to give me some authority as to whether it ought to be off limits for asset discovery, and 3 I'll let Mr. Dellaportas respond to that before I rule on it. 4 My hunch is I'm going to order it produced, but I'll give you 5 a chance if you think I'm way off here and the law is clear 6 7 that it's not appropriate, I'll let you show me that before I order it produced and it's out of the bag. All right? 8 MR. LUST: Your Honor, just briefly, as counsel has 9 10 already agreed to voluntarily produce the tax returns, are we 11 saying that portion of the subpoena's rendered moot? THE COURT: No, produce it also. 12 13 MR. LUST: Okay. Understood, Your Honor. 14 THE COURT: So he gets two copies. 15 MR. LUST: Is there anything further --16 THE COURT: God forbid they don't match up and then I'll never hear the end of it, but at least he gets to see. 17 18 MR. HERSCHMANN: Just Eric Herschmann, it's also going to be subject to the same confidentiality, right? 19 That's perfectly fine. 20 THE COURT: 21 MR. HERSCHMANN: Okay. 22 THE COURT: All right. So before you produce it, let's get a confidentiality agreement signed up. And if --23 24 I'm assuming that the accountant is good with whatever's 25 negotiated between the parties since it's your client?

72 MR. LUST: We'd have to probably see this document 1 2 as it's produced, but I don't imagine there being an objection to it. 3 THE COURT: All right. So make sure Mr. Lust is in 4 the loop on that. 5 6 MR. LUST: Your Honor, is there anything further 7 required of Raines & Fischer? THE COURT: Wait, before you go. I just asked my 8 law clerk who's sitting here to do some quick research on this 9 10 computer in front of him about this question of whether 11 liabilities are appropriate for discovery post-asset. And he's telling me that there are a lot of decisions out there 12 13 stating that a judgment creditor is entitled to wide discovery of the judgment debtor's assets and liabilities. 14 15 So unless you find something really different from 16 that standard rule, my guess is I'm going to order discovery 17 with respect to both assets and liabilities, all right. I'm 18 not sure what you're going to find, but since you seem so 19 confident, like I said, I'll give you a chance. But I am dubious, okay? 20 21 All right. Is there anything else for Raines & Fischer? 22 No, Your Honor. 23 MR. DELLAPORTAS: THE COURT: You are free to go --24 25 MR. LUST: Thank you, Your Honor.

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              THE COURT: -- unless you really have a burning
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    desire to stay, in which case you're most welcome.
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              MR. LUST: I'm good. Thank you.
              THE COURT: All right. So we will excuse Mr. Lust.
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    I'll also note for the record that Mr. Spolansky also left
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    when we finished talking about matters involving him.
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              All right.
                          I do have another subpoena, I believe,
    involving Mr. Broser; is that right?
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              UNIDENTIFIED ATTORNEY: Correct, Your Honor.
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              THE COURT: I have a jointly proposed
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    confidentiality stip and order, which I'm assuming no one's
    having any problems with. Does anybody have any problems with
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    this on any side including any -- including Orly Genger's
    counsel? You don't have a problem with it?
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              MR. DELLAPORTAS: I believe it's specific to Mr.
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    Broser, so.
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              THE COURT: Oh, all right. Okay. I'll review it.
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    I doubt I'm going to have a problem with it. I was planning
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    to approve that. If I do that, what issues remain with
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    respect to Mr. Broser?
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              MR. DELLAPORTAS: So, Your Honor, they're very
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    narrow; just a couple of document issues, really.
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              THE COURT:
                          Okay.
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              MR. DELLAPORTAS: So just by way of background
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    again, there's a settlement for $32 million.
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74 THE COURT: I got that far. 1 MR. DELLAPORTAS: It provides that 17 million was 2 3 paid right away, and we've talked about chasing the money Then there's another 15 million that's going to be paid 4 at some indeterminate point in the future. 5 That's under the settlement agreement. The settlement agreement itself defines 6 7 -- only says that something called the AG Group is to get the 32 million, and it doesn't say amongst the four members of the 8 9 AG Group, one of which is Orly, who gets what. 10 So one of the main things we've sought through 11 discovery -- and a lot of it's even more relevant to the 15 to 12 come because that money hasn't even been paid yet, it's easier 13 to get money that hasn't been paid than money that's gone out 14 in the world. One of the main questions we've had is how are 15 they going to allocate it. And we asked that of Orly, we 16 asked that of everybody, and nobody gave us a straight answer 17 which was somewhat disconcerting. 18 But then we subpoenaed one of the banks which had some -- that received the money, there was attached an excerpt 19 of a document called the "Genger Litigation Trust Agreement." 20 21 And the Genger Litigation Trust Agreement, it's signed by Orly 22 and Arie as grantor. THE COURT: This is an exhibit to something in front 23 24 of me?

This is 148-1.

MR. DELLAPORTAS:

75 THE COURT: 148? 1 MR. DELLAPORTAS: Yeah, so probably Exhibit A to tab 2 3 to 148. THE COURT: 4 Okay. MR. DELLAPORTAS: Okay. And, again, and Orly in her 5 6 sworn interrogatory answer said she doesn't know of any 7 agreement about what's to happen to the money. But here's her signature on the document, and it creates a trust. 8 Ιt appointed David Broser and Lance Harris -- both their 9 10 attorneys are here today -- as trustees. 11 And it says that, "Arie and Orly hereby -- this is 12 in the preamble -- transfer and assign to the trustee the 13 property listed on Schedule A." And then when you go to 14 Schedule A, you find it's basically the settlement proceeds 15 from a series of Genger-related lawsuits that Orly had 16 brought, one of which is the one that eventually settled for 17 \$32.3 million. 18 So this is the governing document, and we know it's 19 the governing document because when we saw the payment records for the first 17 that went out, it went into an account in the 20 21 name of the Genger Litigation Trust. So the problem with 22 this, this would be very relevant to us because it defines not 23 only who gets the first 17 but also who gets the next 15. And 24 that's obviously of interest to us because we deposed Mr. 25 Broser, and he says he's paid and he's not owed anything

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So we'd like to know what's going to become according to this agreement to the next 15. The problem is that information appears to be on Page 2. We have Page 1 and then Page 26. We don't have Pages 2 through 25. It's obvious that Arie Genger, Orly Genger, David Broser and Lance Harris all have a copy of this agreement. They're all parties to this agreement. We've asked all four of them in one way or the other through subpoenas or requests, what have you, to please produce the missing pages from this agreement so we can see what arrangements the parties themselves made as to the disposition of the future proceeds. And nobody has given it to us.

Obviously, there's nothing burdensome about showing us the Genger Litigation Trust Agreement. It could not be more relevant. It relates to potentially to \$15 million to be paid in the future. Our judgment's only \$3 million, so that would be fantastic.

So, first, from I believe we were speaking to Mr. Broser, we asked Mr. Broser to produce just that document, just the missing pages from that document, and he declined to do so. The next thing we asked is Mr. Broser, in addition to being the trust --

THE COURT: Wait, this was waiting for the protective order or just in general?

MR. DELLAPORTAS: In general. Now it was unclear because his joint half of the letter to Your Honor doesn't identify any specific objection to producing this particular document. However, when we asked him directly are you going to produce it, he said he was going to present it absent a court order. So that's number 1.

The other two documents we need from Mr. Broser, and this goes again to the liability issue, so Mr. Broser is in addition to the trustee of this litigation trust, he is the president or managing member of the lender that loaned money to Arie and maybe Orly, I don't know, to fund these litigations. He was the litigation funder. And so he has argued, and people have argued on the other side, that he has a claim to some portion of the settlement proceeds to repay his loan.

So we'd like to know there's 15 million yet to be paid, you know, are you still owed money, are you going to claim that you're owed some of that \$15 million. If so, how much? And so we've asked can you show us your loan agreement, and he said yes once Your Honor so orders the confidentiality agreement, so I think we're good there. But then I said -- we also asked we'd like to see the ledger, how much have you dalled and how much has been paid back. And for some reason, he's not willing to produce the ledger, which seems to me a commercial document and something that Mr. Broser should

78 produce. 1 So really with Mr. Broser, we just have two 2 documents that we need from him, the Genger Litigation Trust 3 Agreement and the ledger showing what he claims are monies 4 loaned out, you know, against the future proceeds and what 5 6 monies have been collected back in in repayment of the debt 7 along with the loan agreement which he's agreed to produce upon the so-order. Thank you, Your Honor. 8 9 MR. GOLDBERG: May I, Your Honor? 10 THE COURT: Sure. You are Mr. Broser? 11 MR. GOLDBERG: No, Mr. Broser is --12 THE COURT: You're Mr. Broser in the back, okay. 13 You are? MR. GOLDBERG: Mitchell Goldberg. 14 THE COURT: Mr. Goldberg, okay. Got it. 15 16 MR. GOLDBERG: A little context here. The credit 17 agreement, which we have agreed to provide subject to the 18 Court so ordering the confidentiality stipulation was put in place in September of 2008. And Mr. Dellaportas is correct. 19 My client through an entity known as ADBG, LLC, lent money to 20 21 Arie Genger individually -- that's what the credit agreement 22 will establish -- to help finance the underlying litigation in which Arie Genger, my understanding was the principal 23 24 benefactor of those litigations. That ultimately resulted in 25 the settlement of \$32 million of which 17,257,000 has been

1 funded to date. 2 Thee trust agreement, Your Honor will notice, was dated, in the first page was dated as of June 28th, 2012. 3 I'll note that it's prior to the period that Your Honor 4 directed today is the subject of discovery because I think 5 6 Your Honor indicated 2013. 7 THE COURT: Well, if -- but if money coming in in 2013 is distributed in accordance with a 2012 agreement, then 8 it's going to be relevant. 9 MR. GOLDBERG: Your Honor, the essence of the 10 11 litigation trust agreement that was put in place in 2012 was to protect the lender so that the first monies that were paid 12 13 under the settlement agreement would go to pay the liability 14 of Arie Genger under the credit agreement. That was the 15 essence. So the first page that was produced, if you look at 16 Article II, under A, it talks about mandatory payments and 17 that's basically belt and suspenders to insure that the first 18 monies that came in through the settlement were paid to Mr. Broser's lending entity. 19 20 THE COURT: What do you mean the first monies; how 21 much? 22 MR. GOLDBERG: In other words, the monies that came 23 So the 32 million was the settlement; \$17,257,000 has 24 been paid to date. And Your Honor has heard that tracking the 25 funds, the funds first went into the -- Bill Wachtell [Ph.]

who was the attorney for the AG Group, who then transferred the monies into a litigation, the Genger Litigation Trust account. \$17,257,000 was placed in the trust account. And from there, \$17,200,000 went to pay off the loan that was as between Mr. Broser and Arie Genger individually.

That's where the lion's share of the first tranche of the settlement went. It went to -- I know Your Honor's not making fact finding summations. This part of it is all -- based on the efforts of Mr. Dellaportas have all been established with documentary evidence that the flow of money went into the trust and then went to pay down the loan between Arie Genger and Mr. Broser's entity which he created to lend money to Arie Genger.

So all that the litigation trust agreement does, and it's essentially belt and suspenders, is to ensure that the lender got paid the first monies from the tranche of money that has been paid to date. Where Mr. Dellaportas was incorrect is that Mr. Broser did not -- did not testify at his deposition that there's no further monies owed to him. In fact, to the contrary.

The 875 that was part of the \$17,200,000 that went into the lender's account, that was another -- that was an advance, another advance on their loan agreement to pay off Arie Genger's debts. So that and other monies have been advanced under the credit agreement since the first tranche of

the settlement proceeds came in.

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I don't have -- but there to be sure and I'm certain that the deposition transcript -- certain it is consistent There are other monies that are due the lender to date and that if and when the next tranche of the settlement payment is made, some of that money -- some of that money we'd use to pay down the payoff of the continuing credit facility that was put in place in 2008, well before there was ever a thought of any litigation that resulted in the judgment.

The same thing with the trust agreement, nothing to do whatsoever with this 2014 litigation. Put in place in 2012, my presumption was at that point Mr. Broser realized the monies were significant and wanted to ensure that there was a mechanism in place to ensure that he got paid first --

THE COURT: Can I ask you to get to what I think is the point here, which is what you are agreeing to produce, what you are refusing to produce, and why you are refusing to produce what you're refusing to produce.

MR. GOLDBERG: So the credit agreement, I thought, would put the issue -- because all I needed -- all I -- I didn't know that it was necessarily relevant.

> THE COURT: All right. Wait.

MR. GOLDBERG: But I thought it would put to rest given the date and the agreement itself, that there was a legitimate arms-length loan that was made by Mr. Broser --

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              THE COURT: But hold on.
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              MR. GOLDBERG:
                             -- to
                          There are two kinds of documents that I
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              THE COURT:
    understand are sticking points here that Mr. Dellaportas wants
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    to have produced and that your client does not wish to
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 6
    produce. Can we just turn to those particular documents and
 7
    tell me why you don't want to produce them in sort of succinct
    terms?
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              MR. GOLDBERG: The trust agreement -- so it's the
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    trust agreement --
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              THE COURT:
                          Trust agreement and a ledger.
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              MR. GOLDBERG: And he has the first page of the
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    trust agreement through a subpoena that --
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              THE COURT:
                          Right. The rest of the trust agreement,
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    why will you not produce the rest of the trust agreement?
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              MR. GOLDBERG: It has no relevance to --
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              THE COURT: How do we know this?
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              MR. GOLDBERG: Because he has the loan agreement
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    that establishes a just debt that is due by Arie Genger --
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              THE COURT: But the trust --
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              MR. GOLDBERG: -- to my client.
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              THE COURT: So the trust -- the purpose of the trust
    agreement does not -- is not, at least in part, to determine
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    how monies get paid out?
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              MR. GOLDBERG: It is belt and suspenders to ensure
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    that the monies from any settlement that's scheduled on A of
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    the trust agreement gets used in the first instance --
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              THE COURT:
                          It's got 25 pages' worth of saying it
    goes in the first instance to the lender?
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              MR. GOLDBERG: Your Honor, I'm telling you that the
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    intent of this document is to ensure that the lender gets
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    paid.
           The rest is boilerplate.
              THE COURT: Okay. It's --
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              MR. GOLDBERG: It has no relevance whatsoever.
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              THE COURT:
                          So 25 pages of no relevance and --
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              MR. GOLDBERG:
                             If Your Honor -- if you --
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              THE COURT: -- of boilerplate?
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              MR. GOLDBERG: If Your Honor would like to look at
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    the trust agreement in camera and satisfy Your Honor that --
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              THE COURT: Okay. If it's 25 pages of boilerplate,
    what's the harm in producing it?
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              MR. GOLDBERG: Because it's not relevant.
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    not relevant to -- it is something that was done for my
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    client's protection to ensure that it got paid the first
    monies from the settlement. He has or will have the credit
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    agreement to establish that it is a just debt that is due
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    between my client and Arie Genger.
23
              THE COURT: You don't even -- you haven't even
24
    produced all of the portion that you produced apparently.
25
              MR. GOLDBERG: No, what --
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84 THE COURT: Article 2 has an A; where's the B? 1 2 MR. GOLDBERG: No, Your Honor. The way that the --3 THE COURT: Article 1 seems to be missing. MR. GOLDBERG: Your Honor, we haven't produced this. 4 The way that Mr. Dellaportas received this document is he 5 6 served a subpoena on the bank when we -- where the account for 7 the trust was established. And when my client went to open that account, the bank needed to see the first page --8 9 presumably needed to see the first page of the agreement and 10 the signature pages. And so that's what he has. 11 THE COURT: All right. So basically all he's got is 12 the first page and a signature page and doesn't have any meat 13 of it whatsoever. And you're saying it's just none of it has 14 any bearing on anything? 15 MR. GOLDBERG: What I'm representing to Your Honor 16 is that it was put in place, and Your Honor can plainly see 17 from the first page that the purpose of it was to protect my 18 client to ensure that he was -- the first monies that were paid as part of any settlement to Arie Genger would be used to 19 pay off Mr. Genger's liability to my client under the credit 20 21 agreement which we're prepared to produce. 22 THE COURT: All right. Let's stick with this one 23 document which is the Genger -- Genger or Ginger? 24 MR. GOLDBERG: Genger.

UNIDENTIFIED SPEAKER: Genger.

85 1 THE COURT: Genger. Genger, okay. The Genger 2 Litigation Trust Agreement where Orly Genger is apparently transferring and assigning property to the trust, okay, so 3 she's taking some of her money and she is transferring or 4 agreeing to transfer and assign that money to the trustees, 5 6 right? 7 MR. GOLDBERG: As a co-grantor with Arie Genger. THE COURT: "Arie Genger and Orly Genger hereby 8 transfer and assign to the trustees property listed on 9 Schedule A to hold in trust for the benefit of the lender." 10 11 Okay. And the property -- you have Exhibit A, right? MR. GOLDBERG: Exhibit A is part of what --12 13 THE COURT: Schedule A. 14 MR. GOLDBERG: -- what the bank required when we 15 opened up the account. 16 THE COURT: Which includes all proceeds from the 17 lawsuits including additional lawsuits and future lawsuits. 18 So if -- just for me to understand what you're saying, if 19 money comes in from later lawsuits that is more than the amount than the lender needs, then how's it get distributed 20 21 back? Is all of it -- it's all for the benefit of the lender? 22 MR. GOLDBERG: No, no, no. I didn't meant to suggest that, Your Honor. No, it was --23 24

THE COURT: So if all net proceeds from the lawsuits, the additional lawsuits, and any and all future

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    lawsuits gets transferred to the trustees, then what happens
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    to it per this agreement after the lender is made whole?
              MR. GOLDBERG: It remains in the trust.
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              THE COURT: Forever?
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              MR. GOLDBERG: No, I can't speak to -- I don't want
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 6
    to interpret the document. The essence -- the point of this
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    document that was put in place at the request of my client is
    -- and I don't want to suggest otherwise, was to ensure that
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    the first monies that came in --
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              THE COURT: Right. But this is a trust agreement
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    where all this money is supposed to go into this trust. So if
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    the purpose is to make sure that the first money goes to the
    lender, then what does this trust agreement say in the
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    remaining 25 pages, if at all, about the rest of the money and
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    who gets it? Your client is wanting to speak.
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              MR. BROSER:
                           I speak as a trustee and the person who
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    put the document together. David Broser, okay. In 2008 Arie
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    Genger's business was taken from him in an action in Delaware.
    His son sold shares to an adversary. My family's known Mr.
19
    Genger for many years.
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21
              THE COURT: Which Mr. Genger?
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              MR. BROSER: Arie Genger.
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              THE COURT: Arie Genger?
              MR. BROSER: Arie Genger. I was introduced to Arie
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             From a personal standpoint, I thought it was a
    Genger.
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horrific action that took place. I lent Arie Genger money. 1 Litigation took many, many years. Sagi Genger subsequently 2 started to sue in many different courts. I continued to fund 3 strictly Arie Genger. All my agreements were with Arie 4 5 Genger. 6 Fast forward to 2012, no settlement yet with the 7 Trump Group, no settlement with Saqi. There was a large ledger out there. And there was a concern like, hey, who's 8 going to get paid first here. Even though my loan was only 9 10 with Arie, I wanted to make sure because Orly at that time was 11 potentially entitled to shares from the Trump Group, get 12 payment from the Trump Group. So we came up with this comprehensive trust 13 agreement that no matter where the money came from would go 14 into the trust in 2012. Fast forward, we negotiate for a year 15 16 with the Trump Group. A settlement is reached in 2013. 17 that settlement, 16 or 17, \$17 million gets paid, \$17.2 18 million get paid. I had that money come in. I pay Mr. Lance 19 Harris 875 to pay Arie Genger's lawyers. That's what the money was designed to do, pay Arie Genger's lawyers. 20 21 balance of 16.4 million I take in because my ledger at that 22 point is about 17 million, 18 million dollars. Fast forward again, there's money hanging out. 23

There \$10 million and \$7 million in a state court, which

Orly's shares, that's Orly's shares' money and that's why Orly

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was originally part of this agreement was maybe Orly's going to get some money from her shares. Her brother and Mr.

Dellaportas somehow manages to take that \$7 million of his sister's money and \$10 million of his dad's money.

Everything else, I mean and Mr. Dellaportas, with all due respect, is phishing around, and that's my frustration as a guy who's the third party here. I do have a nice relationship with Arie Genger. I know his daughter. I'm sitting here as a guy first in line knowing all the facts of this, and he continues to twist what is going on. That's my frustration, so I apologize for that on the record.

But the point is the 17 million Arie Genger paid taxes in 2012. Everybody knew it was his money, and now all of a sudden, Mr. Dellaportas and Sagi are like, no, it may be Orly's money. There's not one basis of fact that he could state that for. The only -- this was Arie Genger's company. He settled with the Trump Group.

The only reason why Orly was mentioned in the settlement agreement was because of the money hanging out in escrow, the \$10 million that subsequently the son takes. Subsequently even in state court, I'll go one other thing, his mother who is a trustee of her trust is the one who is asking for the money. The whole -- this whole thing is from a third party-standpoint is a complete mess. But Mr. Dellaportas is doing a very good job of mixing some of these facts up.

THE COURT: Mr. Dellaportas's client in this action in this court has a judgment.

MR. BROSER: Right.

THE COURT: Okay. Whether it was the right result or not, he has the judgment, okay. He's looking for assets to enforce the judgment. So if you want to paint Sagi Genger as, you know, disreputable in some way or counsel is twisting things around in some way, he's got a judgment so he's to some extent in the driver's seat in this particular go-around of discovery because he's the one who's entitled to the postjudgment discovery because the judgment was not paid, okay. There's a judgment that's outstanding; it was not paid. He's entitled to look, right.

There is a trust agreement. Orly Genger who is the judgment debtor has her name on this thing. She says on the few pages you can see that she's pledging to put monies that she receives into this trust. The amount going into the trust, it sounds like, the amount that's already been put in was almost enough to make you as the lender holder. Some more may be still to be paid, but there's an awful lot more supposedly that was -- that could be coming into the trust.

Is some of that her money? What's supposed to happen to it? Does this trust agreement speak to that? You know, might it be money that ultimately does come in and it goes somewhere and it might provide money that could enforce

90 -- help enforce this judgment? Unclear. Unclear to me how 1 2 you can have 25 pages, the entirety of an agreement except for 3 the front page and the signature page and the schedule all be "boilerplate" and have no real meaning or consequence to the 4 people who are signing the agreement. I don't know what it 5 6 says. 7 I mean, yeah, I could look at it in camera, but I'm not sure I want to get involved trying to understand myself 8 what all of these documents are and making my own 9 10 determinations as to, you know, whether it really is 11 meaningless or not when her name is on it, when it's talking about assets currently and potentially in the future, and when 12 13 it looks like her money might be going into a trust that maybe 14 has some provision as to what would happen thereafter. 15 MR. BROSER: But I guess what I'm saying as a person 16 who's a trustee is that payments from the \$17.2 million 17 payments has already left the building in a certain regard. 18 got paid back first. Arie Genger got paid back. What Mr. Dellaportas is doing, he's frozen even a bank account of mine 19 for \$50,000 that the money came in in 2012 without telling me. 20 21 Again, it was almost like what happened to Mr. 22 Harris here. He went to the bank. Banks are not doing a very 23 good job notifying people. I was never notified at all of him

subpoenaing my bank account. I subpoenaed his bank account,

then freezes the asset as he's going to claw [Ph.] something

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91 back six years ago. 1 2 So stuff like that which continues to draw on. 3 he's looking for the future payments of \$15 million, bring me in as a trustee, sue the trust, do whatever you need to do, 4 but make a claim for it. Don't just flow --5 6 THE COURT: But the issue that I have in front of me 7 right now is quite narrow. It's whether he gets to see 25 missing pages of this trust agreement. That's it. 8 That's the current issue. Does he get to see the middle of the trust 9 10 agreement as opposed to just the front end and the back end? 11 If it is what you say it is, then it is what you say it is and he'll see it when he sees it. And if it's not, if there's 12 13 something in there that talks about how monies would get paid 14 out again and whether Orly's entitled to something, he'll see that. 15 16 But just to say all he's entitled to is the front 17 page and the last page which he got from the bank and 18 otherwise it's irrelevant when it has her name on it, it's talking about her transferring assets into a trust, I mean on 19 the standard of broad discovery to try to find assets, I don't 20 21 see why he shouldn't get to see this. 22 MR. BROSER: This is a layperson. I agree on the 15 23 million. When it came to previous payment, he knows 24 everything. He can sit in that chair and say I --25 THE COURT: Time out.

MR. BROSER: Yeah.

THE COURT: Understand I've got an hour before I'm going to have to break for a lunch meeting, okay. I said I'd have you my whole morning, but it's noon. I have a lunch meeting at one.

So in the one hour, I need to focus on what is actually in front of me, which is does Mr. Dellaportas on behalf of his client get to see certain documents or does he not. That's what's in front of me. And if he does get to see certain documents, should we have a protective order in place or not, right. Either he gets or he doesn't get or he gets in part. Either it's with a protective order or it's not. These are the issues, okay.

It's not, you know -- okay?

MR. GOLDBERG: Judge, to short-circuit this, my point to Your Honor was this was a document that was put in place at the behest of my client who saw a -- who has a revolving facility and the monies that were being advanced became significant and he thought it would be prudent to insure that he was the first money paid. And he explained -- or Mr. Broser did explain why Orly was a party to that --

THE COURT: But if the document says that, then it says that. And Mr. Dellaportas won't be able to do anything further with it, and that will be that. But it has Orly's name, signature, and talk of her assets in the document, so it

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    seems to me he should be able to see it. And if you need a
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    protective order, again, I'm happy to do it.
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              MR. GOLDBERG: Your Honor, we would --
              THE COURT: Then go and negotiate it. Same deal.
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              MR. GOLDBERG: Your Honor, if you're --
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 6
              MR. DELLAPORTAS:
                                We --
 7
              MR. GOLDBERG: If Your Honor's inclined --
              THE COURT: By the way, if you can negotiate one to
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    put in place in the case that everybody can buy into, so much
 9
10
    the better. If you need separate ones, fine. I think you
11
    have one.
              MR. GOLDBERG: I think it would be --
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13
              THE COURT: I think you have one already here.
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              MR. GOLDBERG: We have one in place --
              THE COURT: Fine.
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              MR. GOLDBERG: -- and I'd rather use that as the --
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              THE COURT: Fine.
                                 That's fine.
17
18
              MR. GOLDBERG: -- format than get bogged down --
              THE COURT:
                          That's fine.
19
              MR. GOLDBERG: -- with that.
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              THE COURT:
                          I'll do that.
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              MR. GOLDBERG: So that's the loan agreement. And
    then I think --
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              THE COURT:
                          The trust agreement.
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              MR. GOLDBERG: I'm sorry, the trust agreement.
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94 loan agreement dealt with --1 2 THE COURT: And the ledgers has to do with money coming in and money going out of the trust. 3 MR. GOLDBERG: The ledgers is -- I'm assuming it's 4 what he's looking for is notations of advances made and 5 6 payments received. 7 THE COURT: By the trust from the trust, right? MR. DELLAPORTAS: Yeah. Yes, Your Honor. 8 MR. GOLDBERG: No, no. Not from the trust. No, no, 9 10 What he's looking for are advances made by the lender 11 under the credit agreement, nothing to do with the trust, and 12 repayments by Arie Genger under the loan, nothing -- none of 13 this has to do with -- it basically has to do with the 14 accounting as it relates to the credit agreement in place 15 between Mr. Broser as lender to an entity to Arie Genger 16 individually. That's what he's looking for. 17 He's looking for -- has nothing to do with Orly 18 Genger because Your Honor will see or counsel will see that 19 the credit agreement that was put in place in 2008 --THE COURT: Right. But if money from this --20 21 MR. GOLDBERG: -- is with Arie Genger. 22 THE COURT: Okay. Hang on a second. If money from 23 the settlement that we have spoken about earlier came in and 24 there's a notation on a ledger and then some of it was paid 25 out and there's a notation on the ledger, why would that not

95 be relevant as he's trying to trace that money? 1 2 MR. GOLDBERG: The money -- he knows already from 3 his efforts to discovery that the \$17,257,000 went into the trust account, the Genger Litigation Trust Account; 4 \$17,200,000 went to the lender to repay the loan. He has that 5 6 already. What else does he need? He has that through the 7 bank records. THE COURT: Is it the same information that would be 8 9 on this ledger? 10 MR. GOLDBERG: The ledger, it's -- all he needs to 11 know is the -- in furtherance of the credit agreement --THE COURT: All right. Are you saying that it's 12 13 cumulative to what he already has? It's not that it's 14 irrelevant, it's just cumulative? 15 MR. GOLDBERG: No. What he's looking for is all of 16 the advances made by the lender to Arie Genger under the 17 credit agreement and repayments. Now the repayment part he 18 does already have because he got that through the bank records. He wants to see that --19 THE COURT: You're talking about money from Mr. 20 21 Broser to Mr. Genger and from -- Arie Genger and Mr. Arie 22 Genger to Mr. Broser? MR. GOLDBERG: Well, no, it only works one way. 23 And 24 we spoke about Mr. Broser, it's actually a lending entity 25 created by David Broser and his father to Arie Genger.

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              THE COURT: Okay, his entity?
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              MR. GOLDBERG: Yeah.
                          It only goes one way?
 3
              THE COURT:
              MR. GOLDBERG: It only goes one way. It's a loan
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    that was made by Mr. Broser's entity to Arie Genger
 5
 6
    individually.
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              THE COURT: Okay. So the money that comes in would
   not come in from Arie Genger. It would come in from some
 8
    other source and then would be used to go to Mr. Arie Genger?
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              MR. GOLDBERG: In this particular instance, the
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    credit facility whereby Mr. Arie Genger is a borrower was
    repaid out of the trust account in accordance with the trust
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    agreement.
              THE COURT: And that would be reflected on this
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15
    ledger, if there is one?
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              MR. GOLDBERG: What would be reflected would be a
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    payment on July 1st or 2nd, July 2nd or July 3rd.
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              THE COURT: So this would be, you say, cumulative
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    evidence, not irrelevant but cumulative?
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              MR. GOLDBERG: The payment itself would be
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    cumulative because he already has the record from the trust
22
    account to the Goldman Sachs account where the lender has its
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    account. That he has, no dispute. What he's looking for
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    beyond that are the advances made by the lender to Arie
25
    Genger.
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MR. DELLAPORTAS: So, Your Honor, I'm looking for any advances made under the credit agreement, whoever it is, the dollar the amounts, and any interest on it that would obviously be relevant, and any payments to reduce that. Now they say the 17 million was a payment to reduce it. I don't know if there are any other payments. I don't know how they organized their financial affairs because they haven't given us any documents. I've had to scrap together what little I know from bank records. But fundamentally, it's what Your Honor said, which is there's 15 million coming in. They don't claim that they're entitled to all of that, and so we'd like to know, well, how much of it do you claim you are entitled to and what's your substantiation for it. MR. GOLDBERG: That's a different issue, though, Your Honor. What he's talking about now is prospectively, prospectively, and that money is a moving target because advances under the credit facility could be made on a rolling basis and interest accrues presumably on that. THE COURT: All right. So Mr. Broser sets up an entity that lends money to Arie Genger. MR. GOLDBERG: To finance the litigation. THE COURT: Lends money to Arie Genger, expects to be paid back by Arie Genger at some point. When settlement money comes in, that money is -- some of it is for Arie

98 Genger, and some of that, therefore, is supposed to pay back 1 2 Mr. Broser's entity that lends him money. 3 So we have money that came in from whatever source, which was used to help --4 5 MR. GOLDBERG: To pay down. 6 THE COURT: -- pay Mr. Genger, and then Mr. Genger 7 when he got money, however it got channeled, is supposed to be paying back some money, right. All of this, a lot of this 8 relates to this same settlement, at least a portion of this 9 10 relates to the same settlement we've been talking about. 11 Prior to that settlement money coming in, there may have been advances that came in from other sources somehow, right, or 12 maybe just Mr. Broser. 13 MR. GOLDBERG: I'm not clear as to whether or not --14 I believe advances from the lender to Arie Genger were made 15 16 from time to time. That's why they were left with a debt of 17 over approximately 17 million as of July 2013. I'm not clear 18 -- I just don't know whether or not the payment that was received by Mr. Broser's entity on July 1st was the first 19 payment made under the credit agreement by Mr. Genger or if 20 21 there were prior ones as well. I don't know. 22 MR. BROSER: It was the only payment. 23 MR. GOLDBERG: It was the only payment. Remember, 24 Your Honor the loan agreement with the credit facility took 25 place in 2008, and the first payment made by Arie Genger on

99 behalf of Arie Genger was made in July of 2013. So advances 1 2 were made for that five-year period. THE COURT: So you're looking for ledger entries 3 going back in time prior to this even June 28, 2012 trust 4 5 agreement? MR. DELLAPORTAS: Well, I'd like -- yes, because I'd 6 7 like to know what is their claim against the remaining \$15 million. 8 MR. GOLDBERG: That's a different issue. That is a 9 10 different issue. What he wants to know is of the 15 million 11 -- again, we're not here on a fact-finding mission. But I'm representing to the Court, Mr. Broser just represented that 12 there were monies advanced, including the \$875,000 that was 13 14 wired from the lender's account to Lance Harris on July 2nd --15 that was another advance under the loan agreement -- and other 16 advances that were made since the settlement. 17 And so there is now a liability by Arie Genger under 18 the credit agreement that exists, a legitimate loan that's due by Mr. Genger and he expects -- my client, that is -- expects 19 to get paid from the next tranche of the settlement that gets 20 21 paid when it gets paid if it gets paid. 22 MR. DELLAPORTAS: So, Your Honor, I just want the I mean I don't think it's burdensome. I don't think 23

it's private in any way. It is simply a financial ledger

showing the monies they loaned, the interest that's accrued,

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and the monies they've gotten back so I have a sense of what their claim is on the remaining 15. I don't think it's -- I think it's relevant to my judgment collection efforts because there's 15 that's still out there to be paid.

So I'm not sure what his -- what the basis of his objection is other than --

MR. GOLDBERG: The basis to the objection is relevance in that the credit agreement will definitively establish in a matter of days that there is a loan agreement in place between an entity created by David Broser and his father and Arie Genger, neither of whom are parties to the 2014 litigation. And that the credit agreement was put in place six years before the litigation and eight years before the judgment.

MR. DELLAPORTAS: So, Your Honor, the credit agreement will show us maybe an original loan outlay, but it sounds like there are ongoing outlays. He said they're ongoing outlays beyond the 2008 credit agreement. It won't tell us that. It won't tell us what repayments have been made. It won't tell us what interest has accrued. And so the ledger's really the only way for us to know what they're claiming they're owed other than to simply take counsel's word for it, which again I'd rather not do given then history.

THE COURT: All right. So you have this credit agreement which you are willing to produce under the

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protective order. The details of what's actually owed under 1 2 the credit agreement in actuality and practice based on the monies that have come in and gone out would be shown by the 3 ledger. So it seems to me the two go hand in hand to show the 4 state of affairs. 5 6 The agreement might define the legal rights of the 7 The ledger might show what has happened and, parties. therefore, might show the amount still due and to the extent 8 there's any Orly money that's going to go into the trust, 9 10 what's going to happen to it or what's supposed to happen to 11 it per this agreement and who counsel or his client might stand in line behind. 12 13 I'm not -- I mean I understand that, you know, as we 14 move farther from Orly Central, you know, things get a little 15 bit more tenuous, but it's so -- I mean I hate to use the 16 word, it's so incestuous. It's so tangled that it's -- you 17 know, it seems to me to be rather -- I mean I know you think 18 it's all really straightforward. MR. GOLDBERG: I just --19 20 THE COURT: But I think it's not. I think it's very 21 convoluted. 22 MR. GOLDBERG: I would just object to the word "incestuous." 23 24 THE COURT: Yeah, I'm sorry. Bad choice. 25 mean the fact of the matter is --

102 MR. GOLDBERG: I just would say that this was an 1 2 arms-length -- an arms-length --THE COURT: No, but let's face it. Let's face it. 3 I have --4 MR. GOLDBERG: And it ultimately helped facility the 5 6 settlement of this litigation. 7 THE COURT: But I have family members everywhere positioned everywhere vis-a-vis one another in different 8 postures. I have father and daughter signing an agreement. 9 Ι 10 have father entering into an agreement with somebody else. Ι 11 have money that's supposed to be in part for one going to I have allegations about UCCs going wife to husband 12 13 and husband to someone else and back to husband. I have --14 it's very, very confusing from where I sit, and it is -- there 15 are a lot of lines to be drawn as you chart this out. 16 Judgment creditor is entitled to pretty broad discovery to try 17 to sort things out. This is one that needs sort of sorting 18 out. 19 And even based on what you're saying, it sounds to me like you can either produce an agreement that defines 20 21 certain individual's rights or you can produce the agreement 22 plus this ledger which he says he's always looking for there 23 to show how it actually was carried out and what the actual 24 amounts of money were. And it's hard to say to a judgment 25 creditor you don't get something that shows actual amounts of

103 money as you're trying to dot all the -- you know, make all 1 2 the dotted lines, all the straight lines, put it all together and understand what's left, where it goes, who it's owed to, 3 and what the line is. 4 MR. GOLDBERG: Your Honor, if I was --5 6 THE COURT: There's a lineup. 7 MR. GOLDBERG: Your Honor if I was Chase Manhattan Bank and I made a loan to Arie and in my mind it's no 8 different whether or not it's an institution or a private 9 10 bank, would counsel be able to subpoena Chase and get the 11 whole history of advances made under a facility that has nothing to do with the parties in the litigation? For what 12 13 purpose? Well, except that --14 THE COURT: 15 MR. GOLDBERG: Chase would object in the same way 16 that David Broser would object. We have a legitimate debt. 17 Here's a loan agreement. Now you want to test and see whether 18 or not we have a legitimate loan. Well, a loan agreement --19 THE COURT: Well, except for the fact -- except for the fact that it seems tied up with this trust agreement. 20 21 Because the money that was used to pay back the loan in whole 22 or in part was the money coming from this trust which involved Orly's money. So --23 24 MR. GOLDBERG: Your Honor is correct. It's belt and 25 suspenders because the loan had to get paid first and --

104 THE COURT: Okay. It may be belt and suspenders and 1 2 it may be, as I said, duplicative or cumulative, but I think 3 I'm going to allow it. So, again if your protective order's good enough and would cover it, we're fine. If not, let me 4 know. But I'm --5 6 MR. GOLDBERG: Just to be clear --7 THE COURT: It doesn't sound like what's being asked for is so outlandish here. 8 MR. GOLDBERG: I'm not 100 percent sure, I mean 9 10 there was likely an accounting that was made as of July 1st to 11 show the balance. I don't know what records -- I'll probe the client separately to determine what --12 13 THE COURT: You came in here today without even 14 knowing if there was a ledger? 15 MR. GOLDBERG: No. I know that there were at least 16 a statement that was generated as an around -- in my mind, I 17 view credit as --18 THE COURT: Let's look at it this way. Dellaportas is looking for movement of money. He's looking 19 for money that goes from here to there to here to back to 20 21 around. He's looking to track the actual flow of dollars. 22 MR. GOLDBERG: Only as it relates to the --THE COURT: So that's what a ledger would do. 23 24 MR. GOLDBERG: Only as it relates to the settlement. 25 This is what he's looking for here are advances made by the

20-01010-jlg Doc 38-19 Filed 03/15/21 Entered 03/15/21 13:53:33 Exhibit R Pa 106 of 150 105 lender to a borrower unrelated to this litigation. 1 2 THE COURT: But that affects, if I understand it --3 MR. GOLDBERG: Correct. -- what kind of claim there is to the THE COURT: 4 5 settlement money. 6 MR. GOLDBERG: Yes. But all I'm saying to you is 7 that when we talk about ledgers, if there was an advance made of half a million dollars in 2009, he's looking for some 8 notation that the lender has that an advance was made on that 9 And if there was another advance of a half million 10 11 dollars made six months later in 2010, he wants a record of that. And if there was yet another, because it could be --12 Right. 13 THE COURT: But you see now if the amount of 14 money that was loaned out was \$300,000 and if the amount that 15 came in was \$800,000, then he would be entitled to know that 16 in fact there's nobody standing in line for the balance, for 17 the difference. If the amount that was lent out and that was 18 owed was more than the amount coming in, he'd understand that he might be in line behind that if this is an agreement that 19 20 has priority. 21 So I think he's entitled to understand what this is 22

since there is a claim on this same money that he's trying to make a claim against.

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MR. GOLDBERG: That my client has a priority to.

So let him find that out and THE COURT: Right.

106 understand that, okay? 1 2 MR. GOLDBERG: So --THE COURT: So I'm going to move on to the next 3 issue that I have in front of me so I can get through this 4 within the next 40 minutes. 5 6 MR. GOLDBERG: Okay. The next issue that Mr. --7 THE COURT: I thought those were all of the issues. MR. GOLDBERG: There is -- Mr. Broser touched on one 8 other, and I think, Your Honor, because you're not making 9 fact-finding determinations, I just want to give you a heads 10 11 up because I'm assuming if I move by order to show cause, it'll be before Your Honor. 12 13 But what's happened here is, well, the flow of money 14 was \$17,257,000 that went into the trust account. Seventeen-15 two was advanced to pay off or pay down the loan. \$57,000 16 remained in the trust account for six years, and that was to 17 pay just to keep a balance in the account and for no other 18 purpose. That \$57,000 remained in that account. 19 Mr. Dellaportas served a second subpoena, this time with a restraining notice on Northern Trust. That's the bank 20 21 that holds the fund from the trust account, and Northern Trust 22 now has frozen those funds, the \$57,000. That's funds that, again, as a lender, he has first priority to. Now, in our 23 24 wildest dreams, we never thought we had to take that money and

pay down the loan. We wanted to keep -- or Mr. Broser wanted

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107 to keep a balance in that account. 1 2 Now what's happened is that money is now frozen and the bank is telling me that the only way -- I've tried to tell 3 the bank that they shouldn't have restrained the funds. I now 4 have to make a motion to get the \$57,000. And if need be, 5 6 that money will then pay down the loan that Mr. Broser has 7 with Arie Genger. THE COURT: All right. I'm looking ahead and I'm 8 looking at what has come before as possibly an indicator of 9 10 what's coming ahead of me. I don't want flurries like this of 11 letters on the docket which are repetitive, lengthy, fingerpointing, you know, repeating the same arguments that have 12 13 been made I have not seen before. I don't want orders to show 14 cause. I don't want, you know, a letter, a response, a reply, 15 a surreply, a sur-surreply, a sur-sur-surreply. I mean I'm 16 not going to have that going forward. I don't have the bandwidth to deal with that. 17 18 MR. GOLDBERG: There is a solution. Since we are giving the ledger to Mr. Dellaportas and as part of that 19 ledger, it will establish that as of today, there is a debt 20 21 due and owing by Arie Genger. 22 THE COURT: So here's what I should do. 23 MR. GOLDBERG: And if that's the case, that money --THE COURT: Here's what you do. 24

MR. GOLDBERG: -- should be released.

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come to agreement on it.

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THE COURT: Here's what you do. Produce the documents that Mr. Dellaportas is asking for, the full trust agreement and the ledger and the credit agreement. Dellaportas, look at them together with Mr. Goldberg? MR. GOLDBERG: Yeah. THE COURT: -- Mr. Goldberg, good faith, okay, confer about it, determine whether you think you have a right to keep that money frozen or you don't. If you don't, release If you think you do, instead of writing me letters, the two of you and anyone else who wants to participate contact my chambers, get on my calendar for a phone conference. I will talk through that one issue, and I will rule either that that freeze is going to be lifted or not for whatever principled reason you're able to give me. MR. GOLDBERG: The principle reason, Your Honor, so that we're clear is I'm going to establish with a statement that there is a just debt due by Arie Genger to the lender. And that should be given the trust agreement, that should be the end of the story. THE COURT: Okay. If it has priority, if it comes first in line, and it's not Orly Genger's money, and we can determine that, then there's not going to be basis for this freeze and, you know, I'll either order it lifted or you'll inform the bank that it should be lifted. But see if you can

109 If you can't let's shortcut all of this letter 1 2 writing. You can -- right, I mean you can get on my calendar 3 and maybe just before the conference, you can submit a joint, you know, something joint that says our position is this, 4 their position is that. I'll read the two positions, I'll 5 6 have the call. 7 MR. GOLDBERG: And the only -- all right, because Your Honor will need to see the trust agreement to establish 8 the priority and the loan statement, the current loan 9 10 statement to establish a day. 11 THE COURT: Well, maybe you don't need me. 12 MR. GOLDBERG: No, no. I don't want -- you're 13 correct. 14 THE COURT: Okay. I'm going to tell everybody to the extent you do not need me, please do not need me. 15 16 MR. GOLDBERG: Okay. 17 THE COURT: Okay? On anything and everything. 18 expect you to come to me when you really cannot work things 19 out and you really ought to be capable of working out more than you have so far, okay. 20 21 MR. GOLDBERG: Thank you, Your Honor. 22 THE COURT: Okay. 23 MR. GOLDBERG: Thank you.

24 THE COURT: And I never, ever want to hear from 25 anybody that this one won't return my calls and this one's

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110
    refusing to confer with me, and any nonsense like that.
1
 2
              All right. We have about half an hour.
 3
              MR. DELLAPORTAS: Okay. There's still,
    unfortunately, a good bit yet. Would you like me to just
 4
    summarize everything that's left and then Your Honor can --
 5
 6
              THE COURT: Let's make a list.
 7
              MR. DELLAPORTAS: Okay. We have subpoenas out to
    two businesses which Orly, Ms. Genger co-owns.
 8
              THE COURT: Oh, this is the jewelry and stuff?
 9
10
              MR. DELLAPORTAS: Yes. One's an art business; one's
11
    a jewelry business. We sought only tax returns, financial
    statements, and one other category, I forget. But we've
12
    gotten -- oh, ownership records. We've gotten almost nothing.
13
14
    We got one redacted page of one ownership record.
15
              THE COURT: All right. Before you go on with the
16
    list, who's here on behalf of these businesses?
              MR. DELLAPORTAS: Mr. Harris, I believe, is the
17
18
    counsel for one and the registered agent of --
19
              MR. BOWEN:
                          This is Mike Bowen. My understanding is
    Mr. Harris is the registered agent for both of these entities,
20
    but he hasn't been retained as legal counsel for them.
21
22
              THE COURT:
                          Have you been?
23
              MR. BOWEN:
                          No.
                               I can --
24
              THE COURT:
                          Do they have counsel?
25
              MR. BOWEN:
                          Well, I can represent Orly Genger with
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respect to her interest in those two entities and I can --1 THE COURT: But if the entities have been 2 3 subpoenaed, the entities have not appeared through counsel. No counsel has shown up on the scene for them? 4 They responded to the subpoenas through 5 MR. BOWEN: 6 their agent-in-fact, which was Lance Harris who's here today. 7 THE COURT: All right. Let me go back to my list-What will be the other issues? 8 making. MR. DELLAPORTAS: The other issues are the issues 9 10 directly with Ms. Genger. And there are a bunch of them. We 11 laid them out in our letter, but I think the most important ones -- some of them overlap, obviously. But I think the most 12 13 important ones are the liens that she filed; again, her business records, to the extent she has them and her 14 businesses don't have them; and her premarital agreement which 15 16 we think is highly relevant in light of some of the liens and 17 other things that have been filed. 18 THE COURT: So is that the list now? 19 MR. DELLAPORTAS: I can -- if Your Honor bears with me for one second, I'll see if I've forgotten anything. Oh, 20 21 and any records she has about the acquisition of her home. 22 THE COURT: I'm sorry. Regarding the acquisition of? 23 24 MR. DELLAPORTAS: She represented earlier in this 25 case that she was acquiring a home.

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112
              THE COURT: Acquisition of her home?
 1
 2
              MR. DELLAPORTAS: Home, yes.
 3
              THE COURT:
                          Okay.
              MR. DELLAPORTAS: Yes, Your Honor. And I believe
 4
 5
    that's --
 6
              THE COURT: All right. Let's deal with the
 7
    subpoenas to the two businesses. If we end up after all
    morning and we still have some issues with respect to
 8
    documents requested directly from Orly Genger, I'll set up a
 9
10
    telephone conference and I'll follow up with those by phone
11
    conference if need be with the parties. So --
              MR. HERSCHMANN: Your Honor?
12
              THE COURT: Yes?
13
              MR. HERSCHMANN: This is Eric Herschmann.
                                                         If I
14
15
    could just address one thing because two of the points that
16
    Mr. Dellaportas raises only impact me, and that would be my
17
    prenuptial agreement. And to be clear, I didn't know Orly
18
    Genger or Sagi Genger or anybody in 2013 when all this stuff
19
    was going on. I am prepared, and I've made representations --
20
              THE COURT:
                          I'm sorry; you were married when?
21
              MR. HERSCHMANN:
                               2016.
22
              THE COURT:
                          Okay.
23
              MR. HERSCHMANN: All right. So I want to be clear
24
    about two issues that --
25
              THE COURT: You're still married?
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113 MR. HERSCHMANN: I'm still married. 1 2 THE COURT: Okay. MR. HERSCHMANN: So I said, Your Honor, I'm more 3 acutely aware of the conflict in this family than most people 4 and what can question sanity in stepping into this mess. 5 6 I want to address two things. The prenuptial agreement, Mr. 7 Dellaportas has asked for this document, tried to get it in New York state court, he wasn't able to get it. He has a keen 8 interest in it. 9 It is something that I have represented to the Court 10 11 identifies no assets of Orly Genger. He argues that it's a Texas community property state. The prenuptial agreement 12 13 specifically addresses that there is no community property established. 14 15 THE COURT: Submit it for in camera review. 16 MR. HERSCHMANN: That's exactly what I want to do, 17 Your Honor. Thank you. And I have it here. If I can do 18 that? 19 THE COURT: Hand it up. [Pause in proceedings.] 20 MR. HERSCHMANN: Your Honor, if I could address one 21 22 other point or just let me hand it up. 23 THE COURT: Hand it up. 24 MR. HERSCHMANN: Just hand it up. Hand it up. 25 MR. DELLAPORTAS: And so Your Honor understands what

20-01010-jlg Doc 38-19 Filed 03/15/21 Entered 03/15/21 13:53:33 Exhibit R 114 we believe might be relevant from that, we obviously haven't 1 seen it, one would be a listing of any assets Ms. Genger might 2 3 have, second would be a listing of any entitlement to either income or assets from the -- since Texas is a community 4 property state -- from the community property going forward in 5 6 the marriage. 7 We obviously are not interested in anything that might be in there that's non-financial. 8 THE COURT: Hold on. I've opened the sealed 9 10 envelope that's been handed up to me. There are tabs and 11 highlights. MR. HERSCHMANN: And I think, Your Honor, that was 12 13 my copy of it. Those addressed specifically the community property or lack of community property, lack of liability. 14 15 can give you a non-highlighted version, but that directly 16 pinpoints Your Honor to exactly what's there and it also addresses the fact that Orly Genger lists no assets whatsoever 17 18 on this prenuptial agreement. The only assets listed are 19 mine. 20

And I can provide Your Honor -- I thought that would be simpler. If Your Honor wants one that's not flagged with all the specific provisions --

THE COURT: It doesn't look like it's annotated. It just looks like there are certain things --

MR. HERSCHMANN: Correct.

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115
              THE COURT: -- highlighted. I'm capable of reading
 1
 2
    both highlighted lines and unhighlighted lines and paying
 3
    attention to tabs or ignoring tabs as I see fit. So I will
    look at it. It's lengthy. I'm not going to look at it as I
 4
    sit here.
 5
 6
              MR. HERSCHMANN:
                               Sure.
 7
              THE COURT: It appears to be 39 pages plus a couple
    of reaffirmations. All right.
 8
              MR. HERSCHMANN: And if I could address one other
 9
10
    point that Mr. Dellaportas raised --
11
              THE COURT: Okay.
              MR. HERSCHMANN: -- which is a home in Tel-Aviv that
12
    I purchased solely with my assets. Orly Genger has no
13
    ownership interest in it whatsoever. And she doesn't have any
14
15
    documents to produce on it.
16
              THE COURT: You have produced the documents to show
17
    that?
18
              MR. HERSCHMANN: Well, he has the documents.
                                                            And
19
    the house is owned --
20
              THE COURT: I'm sorry, the purchase -- the --
21
              MR. HERSCHMANN: Well, no, I didn't produce my
22
    personal documents because I think my finances are irrelevant
    to this.
23
24
              THE COURT:
                          No, the documents that show that the
25
    home that she lives in is not something she has any ownership
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116 interest in. He has the documents? 1 2 MR. HERSCHMANN: He has that it's purchased by a limited, and he has a representation --3 THE COURT: He has the documents or he has just say-4 so? 5 6 MR. HERSCHMANN: Well, I don't know what he's 7 subpoenaed and what he's gotten out of Israel, but he's gotten documents out of Israel that reflect no ownership interest by 8 That's for sure. And it was a Tel-Aviv home in a 9 Orly. 10 foreign country, and all the money paid for it came from me. 11 She has no ownership interest whatsoever. She never has and never will. 12 13 THE COURT: Mr. Dellaportas, you have documents that 14 show the ownership of this home? 15 MR. DELLAPORTAS: The only thing I have is the deed 16 record which shows that it's being held in the name of some 17 sort of nominee entity called Rocatch [Ph.] something or 18 other. I don't know how it was purchased, who's the 19 beneficial owner of that nominee other than their representations. They certainly haven't produced anything, 20 21 and I haven't gotten it from any other source. I do know 22 who's listed on the deed because that's a public record. That's all I know. 23 24 One more thing, Your Honor. It was attested to in a 25 submission that they made pre-judgment back when they had

other purposes that Orly has attested that "she purchased the 1 home in Tel-Aviv with her husband and that she lives there 2 with her infant daughter." 3 So at least it was -- I believe I have a good faith 4 inquiry because they've represented to the Court back when 5 6 they were trying to prove that Orly was an Israeli resident 7 and blah-blah that she purchased the home with her husband. So now all of a sudden she not only didn't purchase 8 it, she doesn't have any documents about it and her husband 9 can't give it. 10 11 THE COURT: Can you please produce -- Mr. Herschmann, can you please produce documents sufficient to 12 show who owns the home? 13 14 MR. HERSCHMANN: Your Honor, I can do this, Your 15 Honor. 16 THE COURT: Not a nominee, but you know who actually 17 bought it. 18 MR. HERSCHMANN: If Your Honor will allow me to do 19 this in camera, I will show you the wire transfers from my accounts paying for the entire house, right, and it's only 20 21 maintained. When I --22 THE COURT: Wait a minute. Look, I do recall this -- Mr. Dellaportas pointing this out that there was a prior 23 24 statement to the Court made by Orly Genger that she with you, 25 I quess, purchased this house. There is, therefore, either a

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misrepresentation previously made or a careless phrasing 1 2 earlier made, but certainly a good faith basis for Mr. 3 Dellaportas to explore it. Can you provide documents, not every last document, 4 but documents sufficient to show the ownership of the 5 6 property? 7 MR. HERSCHMANN: I can, Your Honor. If I can do that for Mr. Dellaportas' attorney's eyes only under a 8 confidentiality agreement, I will show him that the property 9 10 is owned by me. 11 THE COURT: Okay. Why does that need to be What is the concern? 12 confidential? 13 MR. HERSCHMANN: Because Mr. Dellaportas' client, 14 Sagi Genger, is an Orthodox Jewish person. I am as well. He 15 tends to speak with people in various places where I've lived 16 and discussed various issues associated with me, and I prefer 17 that things that I do and how I establish them and what I may 18 I do from estate planning purposes are not public to 19 disclosure. And I think if their allegation is that Orly 20 21 purchased the house, they'll see that never happened. 22 their allegation is that Orly has an ownership in the house, they will see that that never happened. I just want to be 23 24 able to produce a document sufficient to show I own it, it's 25 mine, that's all there is to it. And it's definitely not

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    subject to any judgment or attachment.
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 2
              THE COURT: Can you produce documents to show --
    when was this purchased? It had to have been 2016 or later,
 3
    right?
 4
              MR. HERSCHMANN:
 5
                               Correct.
 6
              THE COURT: Unless you purchased it before marriage,
    in which case it would be harder for her to have had a role.
7
    So can you --
 8
              MR. HERSCHMANN: I may have actually -- I don't
 9
10
    remember, but it's --
11
              THE COURT: You purchased it before your marriage --
12
    were married?
13
              MR. HERSCHMANN: It may have been shortly before my
    marriage. I don't remember the exact date, but --
14
15
              THE COURT: All right. Can you produce documents
16
    sufficient to show original ownership and current ownership so
17
    that it's clear that nothing was transferred in the interim?
18
              MR. HERSCHMANN: Sure. It's only been owned by me
19
    since day one.
20
                          So current --
              THE COURT:
21
              MR. HERSCHMANN: Since the day I bought it until
22
    today, it's owned by an entity and I'm the sole beneficiary of
    the entity.
23
24
              THE COURT: Oh, it was purchased in the name of an
25
    entity?
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120
              MR. HERSCHMANN: Yeah, and --
 1
              THE COURT: So then you need to have documents
 2
    sufficient to show --
 3
              MR. HERSCHMANN: Correct, exactly.
 4
              THE COURT: -- who owns this entity and who has --
 5
 6
              MR. HERSCHMANN:
                               Sure.
 7
              THE COURT: -- any interest in it.
                               There's no question. Israel has a
 8
              MR. HERSCHMANN:
 9
    complicated circumstance in foreigners purchasing property and
10
    all that, but I'm prepared to show documents sufficient to
11
    show that I have been and am the only owner of this property.
              THE COURT: All right. Let's try that and see if
12
13
    that puts that issue to bed.
              MR. DELLAPORTAS: And if I --
14
15
              MR. HERSCHMANN: Mr. Dellaportas can agree when he
16
    sees that it is attorney's eyes only, and if he has any issue
17
    with that information, then we could deal with it.
18
              THE COURT: Can we make that attorney's eyes only?
              MR. DELLAPORTAS: Yes, subject to the right to bring
19
    it to Your Honor if I think it's improper designation.
20
21
              THE COURT:
                          Fine. Attorney's eyes only, reserve
22
    rights to come back to the Court to ask to have that broadened
    if need be.
23
              MR. DELLAPORTAS: And to be clear, Your Honor, the
24
25
    reason I make that proviso was because since Orly now
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121 maintains that she lives in Israel, we may at some stage have 1 2 to make a judgment enforcement proceeding there, you know, to the extent we can't collect here. 3 THE COURT: Right to reserve, attorney's eyes only 4 If you need something formal in writing, put in 5 on that one. a letter something for me to so order. 6 7 MR. HERSCHMANN: Thank you, Your Honor. THE COURT: I don't know if we need a full fancy 8 additional agreement for that one. 9 10 All right. Let's move to the subpoenas for the two 11 businesses, and then we'll go back at the end to any additional documents from Orly Genger. We have tax returns, 12 13 financial statements, ownership records for these businesses. 14 The businesses, I gather, have no retained counsel to speak 15 for them today? 16 MR. HARRIS: No, Your Honor. I, in the initial 17 subpoena as the registered agent, received that from Mr. 18 Dellaportas and then responded in letter form with whatever 19 document I had on behalf of the entities but they have not 20 retained me to appear in this matter or to otherwise represent 21 them. 22 Well, because they're corporations or THE COURT: corporate entities, they can't speak without counsel. 23 24 MR. HARRIS: No, understood. 25 THE COURT: So they're not represented here by

20-01010-jlg Doc 38-19 Filed 03/15/21 Entered 03/15/21 13:53:33 Exhibit R 122 counsel. And so I don't have any objection from the entities 1 2 that I can rule on. MR. HARRIS: I had some -- right, Mr. Herschmann 3 just reminded me, in the limited capacity of representing them 4 vis-a-vis their subpoenas, had had some written objections to 5 the requests that were sent to Mr. Dellaportas. 6 7 THE COURT: Well, you're either speaking for them as counsel today in front of me or you're not. 8 MR. HARRIS: I quess I have to speak for them as 9 10 counsel today, Your Honor. 11 THE COURT: You do? You're authorized to do that? MR. HARRIS: I have spoken to the principal of one 12 13 of the entities and on the other entity, I have spoken to Orly 14 I have not spoken to the other 50 percent owner as to 15 representing her here today, Your Honor. 16 THE COURT: Well, if there's a 50 percent owner who 17 hasn't given authority for you to speak on behalf of the 18 entity, I'm not sure you can. 19 (Counsel confer) 20 UNIDENTIFIED ATTORNEY: Can we have a moment, Your

21 Honor?

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MR. HARRIS: Let me just clear this up.

THE COURT: You may have a moment. Just be aware that in court, you know, a corporate entity can only speak through counsel and it has to be authorized.

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123
              MR. HARRIS: Clear, Your Honor.
 1
 2
              THE COURT:
                          Okay.
              MR. HARRIS: I just want to clear it up.
 3
              MR. DELLAPORTAS: While they have a moment, may I
 4
 5
    address just one issue I --
 6
              THE COURT: No, because they'll be distracted.
 7
              MR. DELLAPORTAS: Okay.
              THE COURT: Unless it's an issue that doesn't
 8
    concern them.
 9
10
              MR. HARRIS: Yes, Your Honor. I have authority to
11
    speak on behalf of both entities.
              THE COURT: How did you suddenly get permission from
12
13
    the 50 percent owner that's not here?
              MR. HARRIS: Mr. Herschmann reminded me of a
14
15
    telephone call where the 50 percent owner asked me to respond
16
    to the subpoenas. She's a California resident.
17
              THE COURT:
                          Okay. What are the names of these two
18
    entities?
19
              MR. HARRIS: OGJM, LLC, and Everything Important,
20
    LLC.
21
              THE COURT:
                          All right. So Ms. Genger had had an
22
    interest in these businesses, correct; both of them?
              MR. HARRIS: Has an interest in both of them.
23
24
              THE COURT: Currently has an interest in both?
25
              MR. HARRIS: Yes, Your Honor.
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THE COURT: Okay. So she currently has an interest in both. So why would there be an objection to producing ownership records of both to show her interest? Start there. MR. HARRIS: I would think Everything Important, I provided the exhibit evidencing her ownership interest from the LLC agreement of Everything Important to Mr. Dellaportas which would identify her ownership interest in such entity. THE COURT: Wait, wait. All right. Let me start this way. Mr. Dellaportas, you said you got hardly anything from these entities. What's missing that you're looking for from each of the two entities and are they the same or different for the two entities? MR. DELLAPORTAS: Slightly different. I'll first start with what's the same. No tax returns from either entity; no financial statements, balance sheets, or income statements from either entity. And with regard to the ownership records, that's where there's a difference. given one redacted document where the consideration was redacted by which Orly transferred a majority of her interest in OGJM to an entity owned by her father, Arie Genger. And this was put on public record sometime after the judgment was entered. So I have that ownership record. For Everything Important, I don't believe I have any ownership records.

MR. HARRIS: Wait, for Everything Important you have

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125
   no ownership records?
1
              MR. DELLAPORTAS: I don't believe so. You can
 2
    remind me if you've produced something.
 3
              MR. HARRIS: You were just talking about the fact
 4
    that Orly transferred a majority of her interest.
 5
 6
              MR. DELLAPORTAS:
                                No, no. That's OGJM.
 7
              UNIDENTIFIED ATTORNEY:
              MR. DELLAPORTAS: Yes.
                                      Oh, I'm sorry. I flipped
 8
    them.
9
10
              MR. HARRIS: I'm confused, Your Honor.
11
              MR. DELLAPORTAS: I apologize, Your Honor. For --
              THE COURT: You got them backwards?
12
13
              MR. DELLAPORTAS: I got them backwards, yes.
    OGJM, we have no ownership records. For Everything Important,
14
15
    there was a filing, I think in Florida, after the judgment was
16
    entered by which Orly transferred a majority interest in
17
    Everything Important.
18
              THE COURT: She transferred her entire interest or a
19
    portion of her interest?
20
              MR. HARRIS: She did not. She did not.
21
              MR. DELLAPORTAS: Like 51 percent of something like
22
    that --
                                That's not true, Your Honor.
23
              MR. HARRIS: No.
24
              MR. DELLAPORTAS: -- to her -- a majority interest
25
    to an entity owned by her father called AGA, LLC.
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126 MR. HARRIS: That's just simply not true, Your 1 It's akin to a check conversation earlier. 2 She and 3 her father from the day it was incorporated owned Everything There was several percentage ownership, as I 4 understand. 5 6 THE COURT: She had her father owned it in its 7 entirety with no other owner? MR. HARRIS: Yes, Your Honor. 8 THE COURT: 9 Okay. 10 MR. HARRIS: And at some point, and I don't have the 11 date in front of me and I apologize, a few percentage points, two, three, four percent was transferred from Orly to Arie 12 13 Genger of Everything Important. 14 THE COURT: All right. Let's start with Everything 15 Important. 16 MR. HARRIS: Yes, Your Honor. 17 THE COURT: She still has an ownership interest? 18 MR. HARRIS: Yes, Your Honor. 19 Okay. Why have no tax returns or THE COURT: 20 financial statements been produced for Everything Important? 21 MR. HARRIS: I believe I had inquired of Mr. 22 Dellaportas to enter into a confidentiality agreement in connection with the providing of those financial statements. 23 24 THE COURT: And tax returns?

MR. HARRIS: And tax returns; yes, Your Honor.

And

25

127 I have not to this day heard back from Mr. Dellaportas. 1 2 THE COURT: Sounds like you don't need me on this 3 one. UNIDENTIFIED ATTORNEY: Right. 4 THE COURT: Sounds like you can negotiate it with a 5 6 confidentiality order again. I mean you ought to be able to 7 come up with one model and keep using it if need be, but it sounds like there's willingness to produce subject to the 8 confidentiality order. 9 10 MR. DELLAPORTAS: Okay. 11 THE COURT: So go do. Thank you, Your Honor. 12 MR. DELLAPORTAS: 13 THE COURT: All right. Moving to OGJM. 14 MR. HARRIS: That is an entity, as I understand it, 15 that has little to no assets, income, or the like. Orly and I 16 think has been identified to Mr. Dellaportas as a 50 percent 17 owner. 18 THE COURT: Is that not true? MR. HARRIS: That is true. 19 THE COURT: 20 Okay. 21 MR. HARRIS: But --22 So she's got a 50 percent ownership in THE COURT: 23 an entity, and you're saying the entity doesn't really have 24 Why is Mr. Dellaportas not entitled to see with his own 25 eyes how much this entity has where she's got a 50 percent

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128
1
    ownership?
 2
              MR. HARRIS: I --
                          Can I just jump in here? It's Mike
 3
              MR. BOWEN:
    Bowen again on behalf of Orly. But in the letter that was
 4
    submitted on behalf of OGJM, we specifically or it was --
 5
 6
              THE COURT: Docket what?
              MR. BOWEN: -- specifically stated --
 7
              THE COURT: Docket number what?
 8
              MR. BOWEN: Docket No. 139, starting on Page 3 at
 9
10
    the bottom. Again, it specifically refers to tax returns,
11
    which are available and have been offered to Saqi's lawyer.
              THE COURT:
                          I'm sorry; 139 --
12
13
              MR. BOWEN:
                          Yes.
              THE COURT: -- is a letter from Mr. Dellaportas?
14
                          The second half of the letter is the
15
              MR. BOWEN:
16
    response from Everything Important and OGJM --
17
              THE COURT:
                          Oh.
18
              MR. BOWEN:
                         -- that was written by Mr. Harris.
19
              THE COURT: All right.
20
                          The bottom paragraph on Page 3 refers to
              MR. BOWEN:
21
    the tax returns that are available as soon as a
22
    confidentiality order is entered into which is the same as
23
    Everything Important. The tax returns show the ownership
24
    interest and show that the company is losing money. It made
25
    $167 last -- in 2015. And by 2017 --
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THE COURT: Wait, wait. Wait a minute. Wait a minute. First of all, I don't know who provided these statements in this letter but it says "OGJM has not retained counsel for this matter" at the very bottom of Page 3. MR. HARRIS: Yeah, since that time, I had spoken with the other 50 percent owner, Your Honor. That's what I was clearing up with Mr. Herschmann earlier. I apologize. Okay. And so tax returns were located, THE COURT: were turned over to Mr. Dellaportas. Mr. Dellaportas? MR. BOWEN: They were offered as soon as the confidentiality order was entered into. MR. HARRIS: Which I have not heard back on. And as to financial statements, just to be clear, given the lack of revenues and staffing, I don't -- my understanding is there's no financial statements to provide other than the tax returns. THE COURT: They have no financial documents? a company that just isn't doing well so they have no records? MR. HARRIS: It's a company run out of a woman -- a mother's home in California that does not have any records of a financial nature other than the tax returns. That's correct, Your Honor. You can see it lost or made \$160. THE COURT: So there's nothing to support the tax returns? There are no invoices or checks or anything that could be provided if there were an IRS audit? There's nothing; just the tax return itself?

130 MR. HARRIS: I believe it would be burdensome. I'm 1 2 sure I can ask for invoices. THE COURT: All right. We'll start with the tax 3 returns and depending upon what you're seeing in there, you 4 can come back to the well if need be to ask for a greater 5 6 production. 7 So work out a confidentiality agreement; produce the tax returns for both; produce, if you haven't already, 8 documents about ownership interests from the beginning of 9 10 these entities to the present so that we see if there was any 11 transfer made of any ownership interest and how much; and produce financial statements to the extent you have them. 12 13 there's a problem with that, confer, come back to me if need 14 be. 15 MR. HARRIS: Okay. Thank you, Your Honor. 16 THE COURT: Okay? Mr. Dellaportas, you're okay with 17 that? 18 MR. DELLAPORTAS: Yes, Your Honor, subject to our 19 right when we see the tax returns to --20 Subject to seeing the tax returns seeing THE COURT: 21 if there's more there to talk about. 22 MR. DELLAPORTAS: Yes, Your Honor. THE COURT: All right. So I have information from 23 24 Orly Genger regarding liens and business records. That's what

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MR. HERSCHMANN: Your Honor, can I address one other thing that is just something that's been raised? It's Eric Herschmann. Orly Genger has gone by Orly Genger, and you'll see it in the prenup that she maintains the name Orly Genger. She's never changed her name in any way, right. Dellaportas has gone about now and issued restraining notices all over the place including to financial institutions putting down Orly Herschmann even though we never --If there is no such person, there's THE COURT: nothing to restrain. MR. HERSCHMANN: Sure, Your Honor. But in some of these institutions, I may have relationships. And I had an independent career besides running a -- besides being a I was running a publicly traded company. I've been involved in various businesses and outside of the legal profession. I've asked Mr. Dellaportas to stop serving anything that has my last name in it since she's not known that way, and it can only be harmful. And he has come up with an explanation as to why because some school, at some middle school in Englewood, New Jersey, where my brother was being honored, someone in the administration wrote Eric and Orly Herschmann, so he says that's the basis. And there was a prior filing in which someone corrected it to make it Orly Genger. That's the only time it's ever come, and she's never used it. She's never

referred to it that way. And it's -- there's no reason to say it, especially in restraining notices to businesses and financial entities if that person doesn't exist and I have a relationship with.

THE COURT: Mr. Dellaportas, do you have any other basis? I don't recall from your writings.

MR. DELLAPORTAS: Yes, Your Honor. So, well, first of all, we've never used the name Eric Herschmann in any of our subpoenas or anything. This is solely about Orly Herschmann. I guess Mr. Herschmann believes he owns the last name Herschmann. There's lots of Herschmanns out there, but specifically with respect to Orly, she's married to Eric Herschmann. Under New York law, one doesn't need to file anything formal to change name. You can change name through usage. That's all that's needed under New York law.

We found just with a Google search -- God know how much else is out there -- seven separate instances in which she's used the name Orly Herschmann, including in filings with the Federal Elections Commission, which is, you know, things people take pretty seriously.

So all of our subpoenas simply said we have a thirdparty judgment debtor Orly Genger AKA Orly Herschmann. If we don't have that, then she can walk into any bank at any time and open up an account under Orly Herschmann and we're not going to find it.

MR. HERSCHMANN: Your Honor, if I could address 1 2 That's actually a legal impossibility. Orly Genger 3 cannot walk into any bank and open an account for Orly Herschmann. And Mr. Dellaportas must know that, right. It's 4 an impossibility. Orly Herschmann doesn't exist. And the one 5 6 time where he says Orly Genger used it, number one, she 7 didn't. THE COURT: Wait, wait. He just said he found 8 several instances. 9 10 MR. HERSCHMANN: You know, he cites to one thing 11 where he says it was an FEC filing on a donation. the person who did the filing gave an affidavit and it's 12 13 Document 47 on the docket that specifically says --14 THE COURT: 47? 15 MR. HERSCHMANN: 47. And it's prior to the judgment 16 during the litigation, where he says he filled out the form 17 incorrectly and then corrected it. Because he didn't even 18 know Orly Genger's last name. All he knew was that I got 19 married. THE COURT: Okay. What is the harm to you 20 21 personally if a restraining notice is served for accounts of 22 Orly Genger AKA Orly Herschmann? What happens to you if that 23 gets served on a bank? 24 MR. HERSCHMANN: It is solely reputational and to 25 the extent that --

134 THE COURT: But how does that affect your 1 2 reputation? MR. HERSCHMANN: Because the banks that I know of 3 have affiliated Orly Herschmann -- the claims of orly 4 Herschmann with Orly Genger the same way they were served a 5 6 restraining notice on a --7 THE COURT: I'm sorry. Has it affected any of your accounts, personal accounts? 8 MR. HERSCHMANN: Honestly, I have no idea what 9 10 they've subpoenaed. I have no idea if my personal accounts 11 have been subpoenaed. Maybe we should ask Mr. Dellaportas has he issued --12 13 THE COURT: Wait a minute. If there is a restraining notice served for an account of Orly Genger and it 14 15 says AKA Orly Herschmann, how does that harm your reputation 16 with the bank? 17 MR. HERSCHMANN: Because it --18 THE COURT: Or with anybody else. 19 MR. HERSCHMANN: Because there appear that -because the only reason to put the last name Herschmann is to 20 21 be associated with me. And I have substantial --22 THE COURT: But, okay, so the bank says there's a 23 restraining order for your wife's assets who is in fact 24 associated with you. She is your wife. 25 MR. HERSCHMANN: Correct. With no joint accounts.

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THE COURT: Right. Okay. So she is in fact your wife. So if the bank officer knows you well through -- is going to know it's your wife anyway. And if it says AKA Orly Herschmann and they say, oh, wait, I wonder if that's a relative of Mr. Herschmann who's a customer here and it turns out it is, what has happened to you that is any different from if they haven't made that connection? MR. HERSCHMANN: Because there's two issues. One is there's no judgment or no claim ever brought against AKA Orly Herschmann. He never did it in the case. Had he raised in the beginning, I think it would have been addressed in the underlying case. Two is we have no joint accounts, but if a bank gets a restraining notice and he's serving it in Texas and other places where I live and which I have accounts, then it's detrimental to me. There's no reason to do it, Your Honor, other than to prejudice. THE COURT: What if she were to decide to use your name starting next week? MR. HERSCHMANN: Your Honor, if that happens, I will make a representation to the Court that it's happened. As an officer of the Court, I will come forth and make that representation. It hasn't happened. I don't expect it to happen. THE COURT: How would you even necessarily know? MR. HERSCHMANN: Well, she can turn around and use

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   Mr. Dellaportas' last name; I don't know. You know --
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              THE COURT:
                          Well, no. I mean she's not married to
 3
   Mr. Dellaportas.
              MR. HERSCHMANN: Your Honor, I agree, Your Honor.
 4
    But is it possible? Sure, anything's possible. But right
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 6
   now, the restraining notices and there's no articulable reason
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    to say Orly Herschmann to financial institution other than to
              There's nothing to do with my last name. She never
 8
    taint me.
    took it. None of the accounts, thing that she's ever had, we
 9
10
    don't file joint tax returns, nothing. And there's no reason
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    to do it.
                          Okay, look.
12
              THE COURT:
              MR. HERSCHMANN: And he can't articulate a reason.
13
14
              THE COURT:
                          Look, look.
                                       Wait. Mr. Dellaportas,
15
    what were all the instances you found online when you looked?
              MR. DELLAPORTAS: We found seven instances.
16
17
    attached to our Filing 129.
18
              THE COURT: 129?
                                I don't --
19
              MR. DELLAPORTAS:
                                Document 129.
              THE COURT: 129, Exhibit what? Is it at the back?
20
21
              MR. DELLAPORTAS: It would be Exhibit -- the first
22
    exhibit.
             Maybe Exhibit A. And I don't have a label on it,
    but it's the first exhibit.
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              THE COURT: All right.
              MR. DELLAPORTAS: So the first one is --
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137
              THE COURT: So we have event shares at a --
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              MR. DELLAPORTAS:
                                Yeah.
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              THE COURT: -- U.S. Senate campaign even.
              MR. DELLAPORTAS: If you go to Page 2, it says the
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              THE COURT: Eric and Orly Herschmann.
 7
              MR. DELLAPORTAS: -- the event shares are Eric and
    Orly Herschmann.
 8
              THE COURT: And we have --
 9
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              MR. DELLAPORTAS: Something from NORPAC [Ph.] which
11
    is a political PAC, again, says Eric and Orly Herschmann.
              THE COURT: On the birth of their daughter.
12
    Congratulations, by the way.
13
14
              MR. DELLAPORTAS: Then we found a few pages there.
15
    Another Orly Herschmann. It looks like some sort of school.
16
    Then there's an art exhibition "made possible thanks to the
17
    generosity of Eric and Orly Herschmann." And then, lastly,
18
    there are three FEC, Federal Election Commission filings on
19
    Orly Herschmann. Now they're prepared a affidavit with
    respect to one of them from some quy saying it was
20
21
    inadvertent. They haven't with respect to the other two.
22
    don't know that they're all filed by the same person, but they
    say Orly Herschmann.
23
24
              It's enough to cause for us to have a concern that
25
    there will be assets out there held under the name of Orly
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Herschmann which is in fact her husband's last name. And we want to make sure we get them. I don't think they've shown any reputational damage other than any damage which associates from the truthful fact that Mr. Herschmann is married to a judgment debtor. But --

THE COURT: Mr. Herschmann, I mean I've been married a lot longer than you and Ms. Genger have been married. I don't use my husband's last name. I don't think anyone would ever find anything online indicating me with my husband's last name. This is seven instances just from what happens to be online and there's an awful lot of stuff that doesn't happen to be there.

I think it's a good faith basis for throwing it in as potential AKA. And I don't really see the reputational harm to you by doing that if it's associated with someone named Orly who does in fact happen to be your wife. Now, if he finds no account with that name, there's no account with that name. By any chance there is, he finds it.

MR. HERSCHMANN: Sure, Your Honor. But we're talking about -- I don't know where all these restraining notices and subpoenas have been served because he hasn't identified it, right. That's one of the issues. But to sit there and say -- and as an officer of the Court, I can make the representation, and I think I would know, right, that there are no accounts on earth that say Orly Herschmann.

There are no businesses.

The fact that a middle school in Englewood, New Jersey where my brother gets honored would put it down and NORPAC who did the --

THE COURT: Can I just say something? The amount of lack of trust in these lawsuits between brother and sister and other family members is extraordinary. There's nothing you could say or do that I think is going to make Mr. Dellaportas and his client trust that what you say is truthful even if it is. And I don't have any reason to doubt it, but there is a lack of trust.

And when there's a lack of trust and someone says, look, Judge, I have an explanation, a good faith explanation. We did a search and we did find this name popping up and we don't want to have to trust someone's word that we're not missing anything if we leave the name out, if there's nothing there, there's nothing there. And the only thing you're really saying to the contrary is it's going to hurt me personally and I'm not really seeing how.

MR. HERSCHMANN: Because, Your Honor, like you said, I was married for a long time the first time. So, yes, my first wife took our last name, right. Everyone knew it, right. I have zero liabilities, none, right. Restraining notices that go to entities or institutions that see my last name, right --

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              THE COURT: It hurts you if there's an account that
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    says Eric and Orly Herschmann.
                                      It would also hurt me if it
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              MR. HERSCHMANN: Sure.
    was saying --
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              THE COURT: But if it says Eric Herschmann, your
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    account's not going to be restrained.
 7
              MR. HERSCHMANN:
                               I completely agree, Your Honor, but
    they --
 8
                          I'm going to move on.
 9
              THE COURT:
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              MR. HERSCHMANN:
                               Okay.
11
              THE COURT:
                          I'm sorry. I mean, look, I think, Mr.
    Dellaportas, that there are points where people on the other
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    side of the aisle may be speaking truth and you may be in your
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    effort to leave no stone unturned going a little bit more
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    broadly than you need to.
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              But he has shown me a good faith basis for it. I
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    don't really see the harm in any concrete way. If you have an
18
    example of something that's actually harmed, you come back to
19
    the Court. But I'm not really seeing it. So --
              MR. HERSCHMANN: Well, Your Honor, I quess I should
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21
    ask the question then because the banks obviously have not
22
    been too responsive when subpoenas being issued, have any
    subpoenas been issued for my accounts? I think I'm entitled
23
    to know that.
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25
              THE COURT: Have any subpoenas been issued for Mr.
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Herschmann's own accounts? 1 2 MR. DELLAPORTAS: No, but that raises the next issue I wanted to bring up for the Court. 3 THE COURT: Wait. I've got to run because it's --4 at least on that clock it's three minutes to one. I may be 5 6 running slightly fast. So I may have another five minutes 7 here, but I do have a meeting I need to go to in the court. So we're going to have to wrap up and to the extent anything 8 is left out, I have my calendar with me. And I think we're 9 10 only down to the parties and hopefully, you'll be able to 11 schedule a telephone conference without too much difficulty. 12 MR. BOWEN: This is Mike Bowen. I'd prefer, Judge, given your rulings today that we take a breather on the 13 14 dispute specifically about --15 THE COURT: By all means. 16 MR. BOWEN: -- about Orly. And we can see between 17 the documents that are being produced by the companies that 18 she's a co-owner of and the other rulings today, we should be 19 able to work it out. THE COURT: Here, I don't mind you taking a little 20 21 breather to confer in good faith to try to work things out on 22 what's remaining, to work out confidentiality orders and get those in place, to get additional things produced. 23 24 Mr. Dellaportas, if you are subpoenaing records and 25 if there is a party that might have a confidentiality

interest, I want that -- or a non-party -- I want that non-party to be able to have an opportunity to voice an objection. So if you serve it on, you know, some third party's account, it doesn't necessarily mean under the law you have to notify Orly Genger's counsel. But that party whose account it is should have an opportunity to come and say, wait.

So please give some thought to that, all right, so that we don't have people jumping up and down and saying this has not been fair. And understand that if you're very confident and you think there's a reason you need to do it without notice to anybody that I -- you know, I may require you to destroy or return something thereafter. So make sure things are kept, you know, close to you and not widely spread before there can be an opportunity for any ruling.

Listen, I'm just going to say a few last words here and we're going to pick a date a little bit farther down the road to reconvene by phone with the parties if necessary. If you've worked things out, by all means we can cancel it. This really -- this litigation, and I use the word "litigation" broadly to cover collection of litigations, has been marred by a lot of name-calling, finger-pointing, you know, accusations of lying, accusations of bad faith, you know, just so much unpleasantness that it's not necessary from counsel.

I realize one of the attorneys happens to be married to a party, but the rest of you, you know, you're really not

interested family members. You are counsel. You're members 1 of the bar. You're officers of the court. You can work 2 together civilly and cordially and you can present a dispute 3 that's a bonafide honest dispute without all of the 4 accusations. 5 6 If you think someone is not being candid or 7 truthful, you can say, you know, our understanding is that the facts are different without calling people all kinds of, you 8 know -- accusing them of being less unethical. So, you know, 9 10 I just am going to ask you, please, to try to make my life a 11 little bit easier by keeping the amount of paper down. there really is a dispute, try to make a joint submission, try 12 to be succinct. I'll schedule a conference to try to deal 13 14 with it and keep you going. 15 Try not to have the history we've had in this case 16 with the way in which papers come in with motion, motion, 17 motion, motion. Just, you know, try to keep it a little bit 18 more toned down and to the point. 19 And let me get you down on the calendar for a follow-up if necessary. Let's give you a little time to get 20 21 protective orders ironed out and get some things produced.

What do you think would be the right length of time, maybe

Honor, from our standpoint. So I think we'll know.

MR. DELLAPORTAS: The shorter the better, Your

three weeks or something like that?

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              THE COURT: Well, I mean I want to give you a chance
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    to get things to see -- and talk and see if you really need my
 3
    further attention or not. Don't assume you do. You might
   not.
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 5
              Today is the 8th. I'm looking maybe the week of
 6
    January 21.
 7
              MR. DELLAPORTAS: I'm available all week, Your
   Honor.
 8
              MR. BOWEN: I'm actually out of the country that
 9
10
    week.
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              THE COURT:
                          When are you leaving and when are you
12
    back?
                          I leave on the 16th of January and
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              MR. BOWEN:
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    return the morning of the 25th, which is a Friday but I'm in
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    court before Judge Sullivan that day.
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              THE COURT: All right. So then what I'm going to do
    is I'm going to entrust you to work seriously on issues
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18
    between now and the time you leave --
                          Certainly.
19
              MR. BOWEN:
              THE COURT: -- and have somebody delegated in your
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21
    absence to be continuing to work on issues while you're gone
22
    if need be. If you really find yourself at some new boiling
    point where you need me, get in touch with me by Monday, the
23
24
    14th, and get on my calendar for the morning of the 15th so I
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    can get you before you go. But short of some crisis, let's
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   put you on as a whole date for January 29 or 30 in the morning
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    for a call? That's a Tuesday or Wednesday.
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              MR. HERSCHMANN: The 29th works.
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              MR. DELLAPORTAS: For us as well.
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              THE COURT: Okay. 29th at 10:00 a.m. for a
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 6
    telephone call. If you're okay, please let us know and we'll
 7
    cancel it, okay. If there are still discovery issues or if
    there are new ones, let me know. If there are more non-
 8
    parties who are served with more subpoenas, make sure you
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    inform them, Mr. Dellaportas, of that date. Make sure they
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    understand they can be part of that conference if need be.
    And if there is a dispute, hold it until then so I can rule on
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    it before they start producing things before a dispute can be
    resolved.
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              Do you want me to hold something on the 15th as well
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    just in case?
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              MR. DELLAPORTAS:
                                That would be good, yeah.
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              THE COURT: Just in case. Hopefully to be
19
    cancelled. I have a busier schedule that day.
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              MR. BOWEN: I'm just trying to see what I have on
21
    for the --
              MR. HERSCHMANN: It's Eric Herschmann. I'm not sure
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    the 15th will give enough time if we're going to try to get
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24
    documents from the woman in California.
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              THE COURT:
                          Yeah. I'm only concerned about Mr.
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146 Bowen's being away. So if there's an issue that he wants to 1 2 address before he's away, unless you're reachable by phone 3 where you are. MR. BOWEN: I'm going to be -- well, it's on the 4 other side of the planet. I mean it's a little hard to do 5 6 those kind of phone calls, but --7 MR. HERSCHMANN: I guess if we need something before the 15th, Your Honor, I think we can be in contact with you. 8 I don't think we need to schedule a call. 9 10 THE COURT: All right. I'm not going to put it on 11 the calendar. Monday the 14th -- my Mondays are usually -- I 12 won't say always -- usually my most open days because I have a 13 deputy who's nice to me who tries not to have me come back 14 from the weekend and immediately plunge into all kinds of 15 things. So the 15th is already getting kind of crowded. 16 just be aware if you need me before you go, we're only talking 17 about a week from now or less than a week from now. Hopefully 18 you don't have any pressing needs within a week. MR. DELLAPORTAS: The only thing we would envision, 19 Your Honor, is if we're not able to agree on a confidentiality 20 21 order, it's probably like one or two clauses and it's holding 22 up the production. THE COURT: Well, then you're going to submit it 23 24 with the dueling clauses.

MR. DELLAPORTAS: Yeah, okay.

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              THE COURT: Right? I already said that.
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 2
              MR. BOWEN: Right.
 3
              MR. DELLAPORTAS: Okay. Yes.
              THE COURT: So you're probably not going to need me
 4
    the 14th or 15th. I put you down the 29th. That's the most
5
    likely time to talk to you again. If you don't need me then,
 6
 7
    God bless.
              MR. BOWEN: Did you want a time, Judge? 10:00 a.m?
 8
              THE COURT:
                          10:00 a.m.
 9
10
              UNIDENTIFIED ATTORNEY: Thank you, Your Honor.
11
              THE COURT: All right. I'm going to reserve ten to
12
    eleven but not more than that, okay? All right.
13
              Listen folks, you can do it. You can start a new
14
    year with a resolution. I'm not planning to issue a written
    order. I will review the one document in camera and I will
15
16
    issue some ruling on that probably. But I'm probably not
17
    going to issue a ruling memorializing what was said today
18
    unless somebody comes back to me and tells me you need
19
    something.
20
              MR. HERSCHMANN: Your Honor, just on the one
21
    document? It's Eric Herschmann.
22
              THE COURT:
                          Yeah.
              MR. HERSCHMANN: After you review it, how do I
23
24
    arrange to get it picked up?
25
              THE COURT: Oh, we'll be in -- my clerk or somebody
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148
1
    will get in touch with you.
 2
              MR. HERSCHMANN: Okay.
              THE COURT: Okay. I do have the confidentiality
 3
    stip Docket 137 with respect to Mr. Broser. I'll review that.
4
5
    I think it's okay. I want to give it one last look. And I do
 6
   have the subpoena that you wanted me to so order for Raines &
 7
    Fischer, which I plan to do in lines with what I said. All
 8
    right. I'm pulling those out separate to make sure I do my
   part on those.
9
              Was there anything else I was supposed to sign or --
10
11
              MR. HERSCHMANN: No, Your Honor.
              THE COURT: Okay. All right. We're adjourned.
12
13
              MR. HERSCHMANN: Thank you.
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              MR. DELLAPORTAS: Thank you, Your Honor.
15
              UNIDENTIFIED SPEAKER: Thank you, Your Honor.
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              THE COURT: You're welcome.
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I certify that the foregoing is a court transcript from an electronic sound recording of the proceedings in the above-entitled matter. Shari Riemer, CET-805 Dated: January 22, 2019